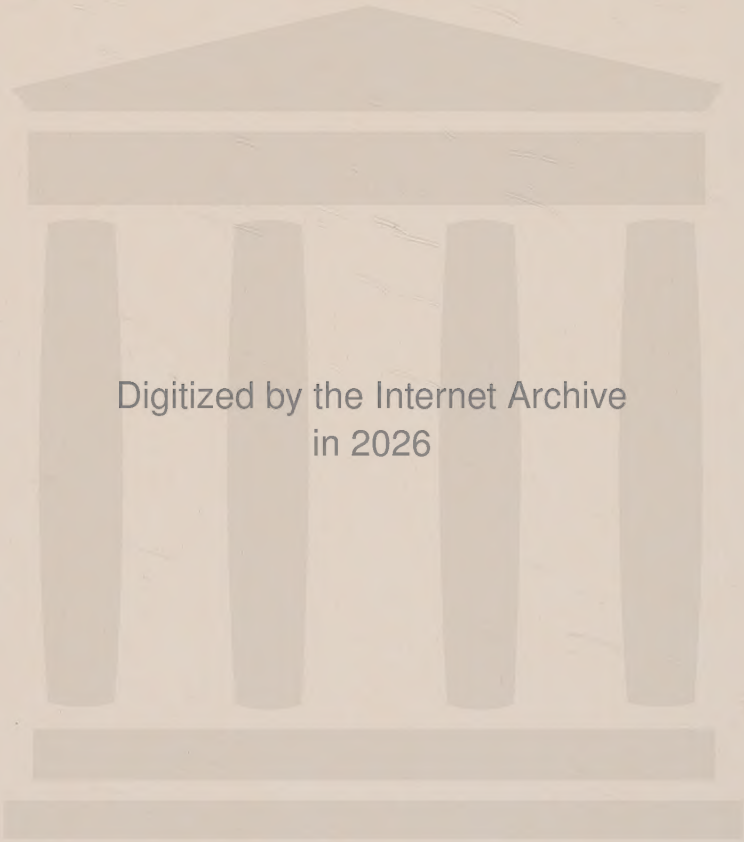
EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT TURKEY

GEOGRAPHY - POPULATION
CITIES & GECEKONDUS
SOCIAL SECURITY & HEALTH
TURKISH FAMILY - EDUCATION
WOMEN IN TURKEY-RELIGION
LAW - MILITARY - LIFE STYLE
ECONOMY - COMMUNICATIONS
TRANSPORTATION - POLITICS
PKK TERRORISM
FOREIGN POLICY ISSUES

Reşit Ergener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EVERYTHING YOU ALWAYS WANTED TO KNOW ABOUT

TURKEY

by

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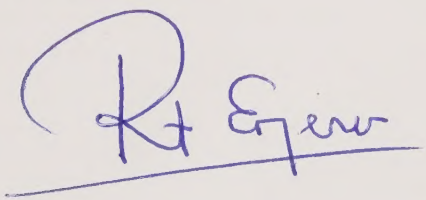

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GEOGRAPHY

Area: Turkey's total area is 814,578 sq. km, which is slightly larger than Texas.3% of the country is in Europe, and the rest (790,200 sq. km - 97%) in Asia. The section in Asia is called Anatolia, and the section in Europe is called Thrace.

Location: Turkey is approximately 1,600km from East to West and 550km from north to south. The country is situated between 42 degrees latitude, which passes through Sinop, a port on the Black Sea, and 40 degrees latitude which passes through the Beysun village of Hatay province, which is on the Mediterranean, near Syrian border. The furthest point to the west is the island of Imroz, in the Aegean Sea, 25 degrees longitude. The furthest point to the east is the junction of Aras and Karasu rivers in the province of Agri, 45 degrees longitude.

TURKEY'S BORDERS

Country	km.
Armenia	268
Georgia	252
Azerbaijan (Nahcevan)	9
Bulgaria	240
Greece	206
Iran	499
Iraq	331
Syria	822
Total	**2627**

Borders: Turkey has borders with Georgia, Armenia, the Nahcevan region of Azerbaijan and Iran in the east, Iraq and Syria to the southeast and Greece and Bulgaria to the west.

Topography: The European part is fertile and hilly. The Asian part consists of an inner high plateau bounded on the north and south by steep mountain ranges which are part of the Alpine-Himalayan system. The plateau starts at sea level at the Aegean shore and rises steadily towards the east, reaching a height of 1700 meters. The center is a treeless depression at 800-1000 meters, containing a large salt lake. Southeast Anatolia is considerably lower and flatter, falling gently from 800 m. in the north, to about 400 meters near the Syrian border. Deep gorges separate the mountain ranges in the south and in the north. The coast is steep along the Mediterranean and the Black Sea.

Seas: The Black Sea lies to the north, the Aegean to the west and the Mediterranean to the south. Anatolia and Thrace are separated by the straits which are situated in the provinces of Istanbul and Canakkale and by the sea of Marmara which lies between the straits. The strait in Istanbul is called the Bosphorus, and the one in Canakkale is called the Dardanelles.

Major Rivers: The largest river the Euphrates (1263km) is in the southeast. The Tigris (523km) is also in the southeast. Both rivers flow into Syria and Iraq. Aras (441km), which forms part of Turkey's border with Armenia and Coruh (355km) are the major rivers in the east. Kizilirmak (1182km), in central Turkey, which flows into the Black Sea, is the longest river to originate in Turkey and reach the sea on the Turkish shore. Yesilirmak (512km) in central Turkey and Sakarya (824km) in the northwest are the other rivers which flow into the Black Sea. Meric (211km) originates in Bulgaria and forms Turkey's border with Greece. Gediz (350km), Kucuk Menderes (140km), and Buyuk Menderes (529km) are the major rivers in western Anatolia. Seyhan (560km) and Ceyhan (509km) are the major rivers which irrigate the fertile Cukurova plain in the Adana province in southern Turkey.

TURKEY'S SHORELINE (KM.)

	Asia	Europe	Islands	Total
Aegean	2593	212	679	3484
Black Sea	1448	177	6	1631
Mediterranean	1542	–	112	1654
Marmara	663	264	252	1179
The Bosphorus	35	55	–	90
The Dardanelles	94	78	–	172
Total	**6375**	**786**	**1049**	**8210**

YEARLY AVERAGE TEMPERATURES IN VARIOUS REGIONS

Region	Yearly Average Temperature	Highest Temperature (Centigrade)	Lowest Temperature (Centigrade)
South (Adana)	18.7	44.6	-4.6
Aegean (Izmir)	17.5	42.7	-8.4
Marmara (Istanbul)	13.7	40.6	-13.0
Black Sea (Trabzon)	14.5	38.2	-7.4
Central (Konya)	11.7	40.0	-24.9
East (Van)	8.9	36.7	-28.7
Southeast (Urfa)	18.1	46.5	-12.4

Climate: All four seasons are experienced in Turkey. Climate is typically Mediterranean with dry summers and rain during the fall and spring. There is more rain along the Mediterranean and Black seashores, where mountains are parallel to the shore. In the Northeast, there is rain throughout the year. In the

Aegean region, where mountains are perpendicular to the shore, rain clouds penetrate the country along deep valleys and rainfall is sufficient. Central Turkey and eastern Turkey, which are covered by high mountains, receive relatively less rain. The climate is milder along the shores and the Aegean region. In central Turkey and in the east, the climate is harsher with intense heat during the summer and severe cold and heavy snow during the winter.

RAINFALL, DAYS WITH SNOW, DAYS WITH FROST

Region	Annual Rainfall (cm.)	Days With Snow	Days With Frost
South (Antalya)	103.0	0	1.2
Aegean (Izmir)	70.4	0	6.2
Marmara (Istanbul)	78.7	8.2	21.7
Black Sea (Trabzon)	83.1	7.2	8,0
Central (Ankara)	36.0	22.3	85.5
East (Van)	37.8	80.4	132.1
Southeast (Urfa)	46.0	3.1	23.5

POPULATION

Population and Population Density: Turkey's population is 63,5 million. The population is expected to reach 67 million by the year 2000, 88 million by 2025 and to stabilize at 95 million by 2050. Population density is 81 persons per sq. km.

POPULATION DENSITY IN SELECTED COUNTRIES

Country	Population Density	Country	Population Density
Former USSR	13	France	102
Iran	28	Denmark	119
Iraq	38	Italy	191
Bulgaria	81	Belgium	326
Greece	76	Great Britain	235
Spain	77	Germany	250
Turkey	*81*	Holland	358

Population Growth Rate: Average fertility of Turkish women has declined from 8 in 1947 to 3 in 1978 to below 2.5 in 1998. (2.1 in the USA, 1.4 in Japan, 1.3 in Germany and 1.2 in Italy.) It is expected that this rate will drop to 2 by 2010.

Birth rate (births in a given year divided by population) dropped from 6.6% in 1950 to 4.3% in 1965 and to 2.7% in 1994 (world average 2.9%). Death rate (deaths in a given year divided by population) also dropped from 1.6% in 1965 to .8% in 1989 (world average 1.1%).Since the birth rate has declined faster than death rate, the population growth rate has also declined, from 2.5% in 1965 to 1.47% in 1997. Birth rate is expected to drop to 2% by 2000 and population growth rate is expected to fall below 1% by 2015.

POPULATION GROWTH RATE IN SELECTED COUNTRIES

Country	Population Growth Rate (%)
Germany	0.1
Holland	0.5
Switzerland	0.59
Ireland	0.7
Portugal	0.9
Turkey	*1.47*
World Average	1.8

Because of the drop in its population growth rate, by 2000, Turkey, which is now the most populous country in the Middle East, will, become the third most populous country in the area after Iran and Egypt.

Birth Control: The main reason for the drop in the population growth rate is rapid urbanization. (See below, Section 3.1) Average fertility of Turkish women is 2 in the western regions and 4 in the rural east. Rural families adopt the fertility patterns of urban families within ten years after migrating to urban areas.

BIRTH CONTROL TECHNIQUES (N/A - NOT AVAILABLE)

	Milliyet (9/3/1992)	*Cumhuriyet* (8/1/1993)	UN Population Reference Bureau (1994)	*Intermedya Ekonomi* (29/5/1994)
% Practicing Birth Control	88	84	63	63.4
% of Women Using the Pill	38	17	N/A	8
% of Women Using IUD	N/A	8	N/A	17
% of Couples Practicing Timing	40	53	32	31
% of Men Using Condom	N/A	N/A	N/A	7.2

Birth control is legal and encouraged by the government. Birth control devices can be obtained freely from government hospitals. Abortion is legal if the doctor regards the pregnancy a hazard for the mother. According to an opinion poll, 29.3% of Turks approve abortion, 33.7% oppose and 35.5% oppose for religious reasons. (Piar-Gallup Poll, Radikal, June 10, 1999) There is no outright opposition by the religious establishment against birth control. However, Moslem religion indirectly discourages the use of birth control since it encourages the fatalistic attitude "If God gives life, God will take care."

66% of families practice birth control. (*Sabah*, April 8, 1996), 99% of families are aware of birth control techniques; 89% of males approve the use of birth control. (*Milliyet*, March 9, 1992). Percentages of families and of men and women who use birth control and the techniques used are given in the table. Four different sets of figures are taken from the Turkish dailies *Hürriyet, Milliyet, Cumhuriyet* and *Intermedya Ekonomi.*

AGE DISTRIBUTION IN TURKEY

Age Group	% in Age Group
15	38.5
15-29	27.7
30-44	16.0
45-59	11.2
60-64	1.8
65+	4.8

(%) OF POPULATION OLDER THAN 65 IN SELECTED COUNTRIES	
Country or Region	**Population Older than 65 (%)**
Sweden	18.0
Norway	16.0
Great Britain	15.0
EU	13.0
North America	12.6
Australia	12.1
Turkey	4.8
Asia	4.8
South America	4.6
North Africa	3.8
Central and South Africa	2.7

Age Distribution of Population: Turkey is a very young country. There are 32 million Turks who are younger than 25. Average age is 19. 66.2% of Turks are younger than 30, half are younger than 22, and 38.5% are younger than 15. (45% in east and southeast Turkey.) Only 20 % of Europeans are younger than 15. Only 4.8% of the Turkish population is older than 65.

Life Expectancy: Average life expectancy is 72 (74 for females and 69 for males.)

Physical Features of a Turk: 48.6% of Turks have light brown, 25.8% have dark and 25.6% have fair complexion. 64% have straight hair. Average height of a male is 1.72m. and the average height of a female is 1.62m. Average weight of a man is 71.6kg. and the average weight of a women is 61.2kg. 35.5% of Turks have A RH+ blood type. 72% have dark and 3.4% have blue eyes. Average foot size is 42 for men and 37 for women. 62% of males have moustaches and 19% have beards. (Piar-Gallup Poll, *Hürriyet*, June 10, 1999)

LIFE EXPECTANCY IN SELECTED COUNTRIES	
Country	**Average Life Expectancy**
France	79
Japan	78
Greece	78
Australia	77
Canada	77
Hong Kong	77
Italy	77
Spain	77
Sweden	77
UK	77
Israel	76
USA	76
Germany	75
Turkey	*72*
Zambia	53
Bangladesh	50

Urbanization: Presently, 58% of the population lives in urban areas and the remaining 42% in the countryside. Urbanization is proceeding very rapidly. The percentage of the population living in urban areas was 44% in 1980, 32% in 1960, 25% in 1950 and 20% in 1923. During the years 1980-90, the urban population increased at the rate of 4.5% annually whereas rural population increased at the rate of 1%. (In 1997, the same ratios were 3% and -6,5% respectively.) By the end of 2000, nearly 70% of the population will be living in urban areas.

Gecekondus: Because of continuous rural-urban migration (320 persons immigrate daily to Istanbul and 220 to Izmir), all major cities are surrounded by shantytowns inhabited by immigrants. Shantytown houses are called *gecekondus.* This word literally means "built overnight." The shell of a shantytown house is built "overnight" by its owner, with the help of friends and relatives. According to an ancient Ottoman law, houses built overnight couldn't be torn down. Jews under the colonial administration in Palestine took advantage of the same law in starting new settlements.

90% of gecekondus are built on government land. Nearly half of all land in Turkey is government owned, inherited by the governments of the Republic from the Ottoman Crown. In most cases, the allocation of government land among newcomers is determined by the so called "real estate Mafia". The profits derived by the Mafia from the allocation of government land is estimated around half a billion dollars annually.

From the economic point of view, *gecekondu* is an expensive form of settling newcomers in urban areas. Most gecekondus are built on hilly terrain where nobody else wants to live and without prior planning. Construction of municipal services for gecekondu areas is therefore very costly.

High economic costs of *gecekondus* are perhaps made up by the social benefits of this form of settlement. The typical *gecekondu* is a village type one floor house, with a small garden. It is easier for newcomers to urban areas to adapt themselves to their new life style when living in such housing as compared with living in apartment blocks. Furthermore, immigrants from a particular village or town tend to settle together in the same *gecekondu* neighborhood. Close social ties that exist in this type of environment contribute to reduce the psychological tensions created by migration to an urban center.

Standard of Living in Gecekondus: The standard of living in gecekondus is not as low as one might expect. According to a study conducted for the State Planning Organization (Istiklal Alpar, Samira Yener, 1992), 45% of gecekondus have two or more floors. Other findings of the study are summarized in the table.

STANDARD OF LIVING IN GECEKONDUS

Appliance	Gecekondu Households Owning the Appliance (%)		
	Istanbul	Ankara	Izmir
Car	7	6	7
Color TV	32	44	34
Electric Oven	49	38	27
Record Player	8	13	12
Refrigerator	87	89	83
Sewing Machine	62	35	29
Tape Recorder	52	54	46
TV	68	54	65
Color TV	33	44	35
Vacuum Cleaner	30	35	29
Video Player	4	8	5
Washing Machine	46	52	36

Istanbul Population: Istanbul has always been a large city. The population of Istanbul was half a million during the 6th century AD, under Byzantine Emperor Justinian. During the 17th century, in order to reduce the inflated population of the city, Ottoman Sultan Murat IV took the drastic measure of forcefully moving 150,000 residents who had migrated to the city without prior permission, to the Balkans.

Current population is 9.2 million. This means that one out of every seven Turk lives in Istanbul. Whereas the population density is 81 persons per sq. km for Turkey as a whole, population density in Istanbul is 1,700 persons per sq. km. Istanbul's population grows at the rate of 3.5% annually. This rate is more than twice as high as the rate of growth of Turkey's population as a whole (1.47%). The high rate of population growth in Istanbul is largely due to migration from the countryside. Only 38% of Istanbul residents are born in this city, and the remaining 62% are migrants. Only 17% of Istanbul residents belong to families living in the city since before 1945. 13% of Istanbul residents were born in east or southeast Turkey. Since most migrants are single, there are 2,800,000 singles (above age 12) living in Istanbul. 400,000 of those are women.

The high rate of population growth necessitates continuous new housing construction. Profits generated by land speculation in Istanbul are estimated to be equal to Turkey's national budget.

The city has 54 municipalities and extends for 100 km in the east-west and for 30 km in the north-south directions respectively. There are 160,000 businesses, 7,400 factories, 1,300 bank branch offices, 4,224 pubs, 1,000 hotels,

70 cinemas, 6 universities, 2,647 schools, and 100 hospitals in the city. 303 newspapers, and 495 periodicals are published in Istanbul. 1,400,000 motor vehicles are registered, and 300 more join the traffic daily. Daily, the city produces 7,000 tons of solid and 1 million cubic meters of liquid wastes.

Istanbul Gecekondus: 65% of Istanbul's population lives in gecekondus. The number of gecekondus in Istanbul (estimated approximately as 1 million) is 2 times higher than the number of legal residences. Daily, 220 gecekondus are built in Istanbul. This figure is 5 times higher than the number of legal residences constructed daily in Istanbul. 56% of gecekondus are built on government land. 30% of all household goods sold in Turkey are purchased by Istanbul gecekondus. (Biltin Toker, Kent Dinamikleri Enstitusu)

Istanbul Economy: 27.5% of Turkey's national product is produced in Istanbul, and 40% of all tax collected in Turkey is collected in Istanbul. 38% of Turkey's industrial firms and 55% of Turkey's commercial firms are concentrated in Istanbul. The income annually produced in Istanbul is equal to 1.5 times the GNP of Romania, 2.5 times the GNP of Syria, 4.5 times the GNP of Bulgaria and 21.5 times the GNP of Armenia.

A total of 1,500,000 workers employed in 7400 factories produce a quarter of Turkey's manufacturing output. 55% of Turkish textile production, 55% of Turkish chemical goods production, and 50% of Turkey's metal goods production take place in Istanbul.

One fifth of Turkey's exports and one-third of Turkey's imports are handled through Istanbul where there are 40,000 export and 30,000 import companies.

Annually 1.5 million tourists arrive in Istanbul and 150,000 planes land at its airport.

SOCIAL SECURITY AND HEALTH

Social Security: Government bureaucrats, employees working under contract, and the self-employed are covered under separate, centralized and compulsory social insurance programs (pension and health). Under these arrangements, insurance coverage continues as one changes jobs. 6 million workers employed mainly on family farms (60% of all workers, 75% of all female workers) are not covered by a government organized insurance program.

Retirement: It is compulsory to retire from government work at the age of 65. Male government bureaucrats can retire after 25 years of work if they are older than 55, and female government bureaucrats can retire after 20 years of work if they are older than 50. Employees working under contract can retire after 5,000 work days. Presently, it is possible for women working under contract to retire at the age of 38 and for men working under contract to retire at the age of 43. On the average, it is possible for someone who has worked for 25 years to receive retirement and health benefits for 16 years.

RETIREMENT AGE IN SELECTED COUNTRIES

Country	Female	Male	Country	Female	Male
Denmark	67	67	Chile	60	65
Germany	65	65	EU Average	60.4	64.2
Japan	65	65	France	60	60
USA	65	65	Italy	55	60
Spain	65	65	Jordan	55	60
Portugal	62	65	Kenya	55	60
Belgium	60	65	Pakistan	55	60
Holland	60	65	Sudan	55	60
England	60	65	Syria	55	60
Greece	60	65	*Turkey*	*38*	*43*

As the above table indicates, retirement age is much lower in Turkey than it is in many other countries. Supporters of this arrangement point out that life expectancy is also lower in Turkey and that the raising of retirement requirements to 9,000 work days and retirement age to 60 would practically mean retirement in

grave. Critics claim that those who live beyond the age of 50 have an average life expectancy of 25 years. Supporters maintain that only 1% of those who retire are younger than 39, that the median age of retired population is 57 and that the median age of those who retired in 1996 was 50. Critics of the present system claim that 1 active worker in Turkey supports 2 pensioners and that in order to achieve actuarial balance, this ratio should be lowered down to 1 to 6. (The limit accepted by international labor organizations is 1 to 4.) Supporters of the system point out that the ratio is not much different in other countries.

RATIO OF ACTIVE WORKERS TO PENSIONERS

Country	Active Worker/ Pensioner Ratio	Country	Active Worker/ Pensioner Ratio
Italy	1.94	Holland	2.50
Greece	2,03	France	2.60
Germany	2.13	England	2.91
Spain	2.21	Finland	3.10
Turkey	*2.28*	Portugal	3.15

SHARE OF SOCIAL SECURITY IN THE BUDGET

Country	Share of Social Security in Government Budget
Sweden	53%
Germany	46%
World Average	35%
UK	33%
USA	32%
Turkey	*6%*

Critics claim that Turkey's social insurance system is bankrupt and that the only solution to the problem is raising the retirement age. Defendants of the low retirement age point out that under present arrangements Turkey spends only 6% of its budget on social security and that this figure should be raised to much higher levels.

Health System: Turkish health system is rated highly by the World Bank. Health system is accessible by whole population. Preventive medicine reaches 94% of the population. This ratio is 85% in the countryside. Government hospitals provide free health care for all government bureaucrats. Also, the very poor can get free health care in government hospitals. Government organized, centralized insurance schemes covering employees working under contract and the self-employed also provide free health care for their members. Health care can also be purchased through private hospitals and clinics and it is possible to purchase private health insurance.

Expenditures on health is 3% of the national budget. (7% in Greece, 9% in Portugal, 15% in Holland, 16% in France, 17% in Germany.) Health expenditures per capita is $108. ($693 in Greece, $873 in Portugal, $1,365 in UK, $1.597 in Italy, 3,036 in Germany and 3,769 in USA.)

There are 902 hospitals. 721 are operated by the government and 115 by the workers' insurance scheme. 205 hospitals are privately owned. The government encourages private investment in health through tax breaks and subsidies.

There is a total of 165,000 hospital beds. This means that there is one hospital bed for every 396 persons. The same ratio is about 4 times higher in Western European countries.

DOCTOR/POPULATION RATIO IN SELECTED COUNTRIES

Country	Doctor/Population Ratio
Greece	303
Spain	315
Portugal	345
Denmark	370
Germany	370
Turkey	*820*

There are 77,550 doctors. This means that the doctor/population ratio is 1 to 820. The number of persons per dentist is 3,900.

Causes for Death: Among adults, 38 % of daths are due to coronary problems, 11.5% to cancer, 11.5% to traffic accidents, 3.8% to respiratory infections and 3.5% to infectious diseases.

Infant Mortality: Infant mortality rates (percentage of babies dying before reaching 1 year of age) are high. 3,8% of babies die before reaching age 1. The same ratio is 1.1% for the EU. Even though only 3% of the Turkish population is younger than 1,23% of all those who die are younger than 1. About 10% of infant deaths is due to diarrhea and about 20% is due to infections of the respiratory system.

The most important determinant of infant mortality is the mother's education level. Chances of survival of the baby of a college graduate is 5 times higher than the chances of survival for the baby of an illiterate mother.

24% of all births take place at home, without proper medical assistance. 60% of births take place at health institutions, and 76% of deliveries are assisted by doctors or by certified midwives.

The good news with regard to infant mortality in Turkey is that it is declining very rapidly. Present infant mortality rate (3.83%) is less than a quarter of what it was 20 years ago.

Marriage Age: Turkish women in the 45-49 age were married at the average age of 18.3. The average marriage age is 20 for women in the 25-29 age group (Piar - Gallup poll, *Hürriyet*, 26/12/1993). The average marriage age for men in the same age group is 24. 30% of women older than 30 are married and have children.

AVERAGE MARRIAGE AGE FOR FEMALES

Country	Age
Sweden	28.0
Denmark	27.0
Switzerland	26.0
Tunisia	21.1
Turkey	*20.0*
Jordan	19.6
Egypt	19.2

Arranged Marriages: 68.5% of Turkish people are married through "arranged marriages." (Piar - Gallup poll, *Hürriyet*, 26/12/1993.) Arranged marriages are more widespread in rural areas than in cities. In most cases, "arranged" simply means "introduced by the family," marriage taking place with the approval by the couple.

The Marriage Contract: Moslem civil law is not valid in Turkey. Therefore, religious weddings are not legally binding. Only the civil wedding, conducted by the municipal authority or by the census officer, has legal validity. Despite that, 13% of married couples are bound only by the religious ceremony. According to the Turkish civil code, every male can have only one wife. Yet 1.1% of the males in cities and 2.2% of males in rural areas have more than one wife. (*Milliyet*, March 9, 1992)

Divorce and Alimony: The marriage rate is 76%, and the divorce rate is 15%. (The marriage rate is estimated as the percentage of those above 15 who get married annually, and the divorce rate is estimated as the percentage of those who get divorced annually.) The total number of divorces increases by 4-5% annually. Divorce is obtained through the court. Divorce is easily granted if both sides are willing, but more difficult if one partner (particularly the wife) is reluctant. The custody of young children is usually given to the mother. There is alimony but no division of property. Recently, courts have been introducing division of property into Turkish legal practice by setting precedent in granting high alimony and compensation claims.

76 % of divorces take place in urban centers. According to legal statistics, 93% of divorces is caused by marital disagreement, 3.7% by desertion, and 1.3%

are due to adultery. ("Marital disagreement" is in most cases a term which disguises other underlying causes for divorce.) The findings of the survey conducted by the Office of the Prime Minister in 1996 on 427 subjects on the causes for divorce are given in the table.

Half of the divorced couples do not have children. The divorce rate declines as the number of children in the family increases. 26% of the women covered under the above study declined to divorce because they had children.

CAUSES FOR DIVORCE

Cause	%
"Bad Habits"	23
"Exploiting the Spouse"	19
Adultery	16
Lack of Cultural and Social Cohesion	11
Lack of Sexual Cohesion	7

Domestic Violence: According to a survey (*Hürriyet*, November 18, 1990) 48.5% of Turkish households know of at least one husband who beats his wife. Note that 16% of American women and 20% of German women encounter violent behavior from their partners. (*Cumhuriyet*, December 18, 1994) 27% of those surveyed in a study conducted by the Family Research Institute of the Office of the Prime Minister, believe that a husband has the right to beat his wife, 64% think that he does not, and 8.9% do not have an opinion. According to another study (*Tempo*, December 22-28, 1991), 56% of men and 84% of women believe that husbands do not have the right to beat their wives.

Housework: Turkish husbands share very little of the housework and the children are brought up mainly by the mothers. It is estimated that a working woman, on the average, spends 3.6 hours working at home in addition to the 8.8 hours she spends at work.

Adultery: According to a study conducted for Tempo magazine, 70% of Turkish men and 72% of Turkish women do not approve of adultery. (*Tempo*, January 5 - 11, 1992) Yet, according to the same survey, 43% of those surveyed know of at least one woman, and 62% know of at least one man who they think has committed adultery. The same study indicates that 28% of man and 21% of women have considered committing adultery at some time in their lives.

Premarital Sex: Chastity is still important for a large segment of the population. According to the study referred to above, chastity is important for 53% of Turkish women and 39% of Turkish men. (*Tempo*, January 5 - 11, 1992)

According to the same study, 73% of men and 54% of women do not approve of virgin and unmarried women having premarital sex.

Very few babies are born out of wedlock. Almost half the children in Europe are born to couples who are not married. This ratio is 51% in Iceland and Sweden and 44% in Denmark.

Because of the limitations on sex before marriage, 48% of young men and 12% of young women masturbate. About 60% of young people learn about sex through their friends. 55% of all women have their first sexual experience with their husbands. 20% of all women report that they are not comfortable with sexual relations. (*Tempo*, January 5 - 11, 1992)

33% of young men have their first sexual experience at bordellos. (*Tempo*, January 5 - 11, 1992) There are government inspected bordellos in most Turkish cities. Women working in these houses are required to have a weekly medical inspection.

EDUCATION

School System: It is estimated that only 7.4% of all children attend day care centers. (77% do in Chile, 69% in Bangladesh, 16% in India.)

Children start elementary school at the age of 6. Preliminary education is 8 years. Above the preliminary level, there is 3 years high school and 4 years college. A master's degree usually requires 2 years to complete and a doctorate degree takes 4 years after graduating from college.

The school year ends in June and starts again in September. There is a two-week semester break in February. The school system is mixed though there are a few traditional high schools which are exclusively for male or female students.

Average number of students per instructor is 31 in elementary school, 22 in secondary education, 21 in post-secondary education. The number of instructors increased by 6.7% annually during 1960-1980 and by 2.9% during 1980-1989.

Government provides free preliminary and secondary education. College students pay a small proportion of their costs. Private education is also available.

LITERACY RATES IN SELECTED COUNTRIES

Country	Literacy Rate (%)
UK	99
USA	99
Spain	98
Cuba	96
South Korea	96
Argentina	94
Chile	91
Turkey	*85*
Venezuela	85
Mexico	83
Pakistan	35
Afghanistan	29

Literacy Rate: 85% of the population is literate. 92% of all males and 72% of all females are literate. According to UNICEF statistics, 29% of girls are not sent to school by their parents.

Years of Schooling: As of 1994, Turkish citizens were receiving on the average 4.5 years of schooling. The average years of schooling is expected to rise with the extension of compulsory education from 5 to 8 years.

AVERAGE YEARS OF SCHOOLING IN SELECTED COUNTRIES

Country	Years of Schooling	Country	Years of Schooling
USA	12.3	Greece	6.9
Canada	12.1	Malaysia	5.3
France	11.6	*Turkey*	*4.5*
UK	11.5	Brazil	3.9
Australia	11.5	South Africa	3.9
Germany	11.1	Thailand	3.8
Japan	10.7	India	2.4
New Zealand	10.4	Pakistan	1.9

Until recently, Turkey was one of 12 countries in the world where education was compulsory only up to the elementary school level. In 1997, measures were taken to raise the level of compulsory education to 8 years. In 1998, the rate of schooling was estimated as 84,3% at the elementary school level and 52,7% at the high school level. 11% of Turkish students who start elementary school eventually receive post-secondary education.

DROPOUT RATE IN EDUCATION (N/A- NOT AVAILABLE)

Schooling Level	Dropout Rate (%)	(%) of Graduates Continuing on to the Next Level of Education
Elementary	10.4	41.2
Junior High	20.6	86.4
High School	30.0	63.5
Post Secondary	45.8	N/A

LEVEL OF EDUCATION IN SELECTED OECD COUNTRIES

Country	(%) of Population only with Elementary Education	(%) of Population with Secondary School Education	(%) of Population with Post-Secondary Degrees
USA	7	47	36
Germany	18	60	22
Canada	24	36	40
UK	35	49	16
France	49	35	15
Turkey	*82*	*11*	*6*

Child Labor: Despite the legal requirement, it is estimated that 13% of Turkish children who are of elementary school age, do not attend school. (*Cumhuriyet*, February 5, 1996) This ratio is 29.7% for working class families. (*Milliyet*, September 1, 1996) In 1989, 10.6% of families, children who attended school also participated in the labor force. (*Milliyet*, September 1, 1989.)

According to the International Labor Organization (ILO), in 1995, more than 1 million Turkish children were working as apprentices. According to State Institute of Statistics, 32% of all children in the 6-14 age group work. Children in the 10-14 age group constitute 5% of Turkey's labor force. 32% of children are employed at home industries and 80% in the "non-official" sector-the activities of which are not recorded. 77% of children work in agriculture, 11% in industry, 7% in services and 5% in trade.

SCHOOLING IN POST - SECONDARY EDUCATION

Country	(%)	Country	(%)
USA	84	Greece	29
Canada	80	Russia	24
South Korea	46	*Turkey*	*23*
France	40	UK	23
Japan	39	Mexico	14
Singapore	38	Brazil	12
Germany	33	Egypt	20
Italy	31	Syria	18

Post-Secondary Education: There are roughly 77 universities in Turkey. (3500 in the USA and 500 in Japan.) Istanbul University is the largest. Most universities belong to the government. Private universities owned by non-profit organizations are also allowed. Note that 54% of universities and colleges in the USA and 72% of those in Japan are private.

University admissions are based on a central examination. Roughly, 25% of those who apply are admitted to universities. 40% of those who apply are graduates of the current year.

8% of all students are receiving post-secondary education while 20% are in EU countries. The rate of schooling in post-secondary education remains low at 16%.

44% of post-secondary students are in external or distance education programs which do not require attendance. This ratio is unusually high and efforts are being made to reduce it below 40%.

Education Expenditures: Annually 1,3 million children reach school age. This number exceeds the total number of children annually reaching school age in Germany, France and UK combined. In order to meet the demand for schooling, the government has undertaken major investments. There are plans to build 147,000 classrooms by 2001 and 480,000 by 2011. 150 thousand additional teachers will be employed by 2001 and the student/teacher ratio will be brought to the western standard of 30.

Annual expenditure per student is $100. The same figure is $677 in Italy and $6,593 in the USA. Annual expenditures per student in higher education are $2,000. The same figure is $6,500 in France, Japan and Germany; $10,000 in Britain, Holland and France and $13,000 in the USA. Annually, 2.53% of national income is spent on education. (*Milliyet*, December 21, 1998)

POST-SECONDARY STUDENTS IN DISTANT EDUCATION

Country	(%) of Post-secondary Students in Distant Education
Japan	1.6
Germany	3
Spain	12
UK	17
Israel	19
South Korea	30
Turkey	*44*
Thailand	45

EDUCATION EXPENDITURES IN SELECTED COUNTRIES

Country	(%) of National Income Spent on Education	Country	(%) of National Income Spent on Education
Surinam	9.5	Germany	4.8
Canada	7.2	UK	4.8
Cuba	6.6	South Africa	4.6
USA	6.5	Mexico	4.1
Sweden	6.2	Brazil	3.9
Taiwan	5.9	India	3.8
Portugal	5.7	Pakistan	3.4
Japan	5	Greece	3.1
Kuwait	5	Chile	2.9
Spain	5	*Turkey*	*2.5*

Students in government universities pay approximately 10% of the cost and scholarships and loans are available. The government subsidizes half the cost of private universities.

Foreign Language Education: The language of instruction is Turkish. At high school level, students can choose to study French, German or English as a second language. The most popular foreign language taught in schools is English. However, because of the large number of Turkish workers in Germany, German is the most widely spoken foreign language. In special government schools and in most private schools, students spend one preparatory year studying a foreign language and study science and math in that language during their later years.

There are schools which are run by the French, German, American and Austrian government or charity institutions. Students in these schools also spend a preparatory year studying a foreign language and later study science and math in that language. Such schools are under the supervision of the Education Ministry and their curriculums are like the curriculums of other schools. Foreign schools are a legacy of the Ottoman Empire. The Lausanne Treaty signed after Turkey's War of Independence bans the founding of new foreign run schools.

GOVERNMENT EXPENDITURES / STUDENT

Country	Government Expenditures/ Student (US$)	Country	Government Expenditures/ Student (US$)
Canada	1,425	Spain	208
USA	1,272	South Korea	181
Japan	1,111	Hungary	160
France	908	Malaysia	117
Portugal	908	Brazil	86
Germany	832	*Turkey*	*79*
Taiwan	344	Mexico	42
Singapore	322	India	34
Chile	208	Pakistan	9

Science, Research and Development: According to the figures of the Science Citation Index which keeps a record of scientific publications worldwide, annual publications by Turkish scientists increased by 460% during the 1987-1997 period. This is the highest rate of growth in the world, exceeded only by South Korea. (During the same period, The publications by US scientists increased by 11%.) The share of Turkish scientists in world research rose from .024% in 1992 to .041% in 1997.

Research and development expenditures are low. Only 0.38% of national income is spent on R&D. 31% of R&D is undertaken by the radio, television and telecommunications industries.

RESEARCH AND DEVELOPMENT EXPENDITURES

Country	R&D Expenditures as (%) of GNP	Country	R&D Expenditures as (%) of GNP
Japan	2.98	Pakistan	0.98
Germany	2.83	Singapore	0.88
France	2.40	Spain	0.86
Hungary	1.93	Portugal	0.50
USA	1.93	Greece	0.46
South Korea	1.88	Brazil	0.39
Canada	1.37	*Turkey*	*0.33*
Italy	1.35	Mexico	0.21

Use of Computers: Turkey is 33rd among world nations in terms ownership of personal computers per capita. The total number of personal computers in Turkey is 1,200,000. This means that 2% of the population owns personal computers. (50% in the USA and Sweden) In 1997, 1 out of every 9 American and 1 out of every 20 Israeli bought a new PC while the same ratio for Turkey was 1 out of every 210. (*Hürriyet*, December 6, 1998) Nevertheless, computer demand is growing fast in Turkey. The computer market has expanded by 26% in 1997 and by 40% in 1998. Microsoft has recently moved its headquarters for North Africa and the Middle East to Turkey. Illegal duplication of computer programs is a problem. 84% of computers use copied programs, despite heavy penalties. (*Hürriyet*, January 24, 1999)

WOMEN

Civic Rights: Under the law there is complete equality of men and women. Turkish civil law, which was adopted from the Swiss civil law in 1926, allows a man to have only one wife and gives women equal rights with respect to inheritance and in other spheres of social life. This is in sharp contrast with the Moslem code which allows a husband to have four wives, recognizes the testimony of two women as being equal to that of a single man, and gives daughters only half as much as sons in inheritance.

Even though the status of women in Turkish society has greatly improved as compared with the past, ancient traditions survive. 59% of Turkish women and 32% of Turkish men believe that it is more difficult to live as a woman in Turkish society. 85% of Turkish women and 75% of Turkish men believe that women in Turkey are repressed. 58% of Turkish men and 62% of Turkish women believe that the legal system discriminates against women. (*Tempo*, January 5-11, 1992)

SUFFRAGE FOR WOMEN

Country	Year	Country	Year
New Zealand	1893	Spain	1931
Australia	1901	*Turkey*	*1934*
Denmark	1915	France	1944
Soviet Union	1917	Italy	1945
Austria	1918	Japan	1945
Canada	1918	Belgium	1948
Germany	1918	Greece	1951
UK	1918	Mexico	1953
Poland	1918	Egypt	1956
Holland	1919	Morocco	1963
Norway	1919	Iran	1963
Sri Lanka	1931	Switzerland	1971

Women In Politics: Turkish women received the right to vote and the right to be elected to office at the relatively early date, of 1934, before Swiss, Greek, French and Italian women. Currently, Turkey has several female members of parliament, mayors and governors. Tansu Ciller, a 46 year old professor of economics, became Turkey's first female prime minister in 1993. In 1997, there were four female members in the Turkish cabinet holding the portfolios of family affairs, foreign, interior and treasury and ministries.

During the World War II years, there were 12 female members of the Turkish parliament which was more than the total in the US Congress at the time. 2.3% of the parliament elected in 1995 was made up of women. The same ratio is 3% for

Middle Eastern countries, 8% for African countries and 18% for industrialized nations. 40% of the Swedish, Danish and Norwegian parliaments and 30% of New Zealand, South African and German parliaments are women.

Women in Labor Force: 30% of Turkish women including 10% of urban women who are older than 18 participate in the labor force. 31% of adult workers older than 18 are females. This ratio is 51.5% in Sweden, 46.5% in the USA, 44% in Japan, 41% in Germany, 33% in Italy. 54% of working women are not covered by an insurance program.

Types of Employment: 75% of working women are employed on family farms, 9% in industry and 16% in the services (77% in the USA). Only 5.5% of working women either work at managerial positions or are self-employed while 42% do the in USA.

Travelers going through Turkey in the spring or fall will notice large numbers of women working in farms and men sitting idle in coffee shops. There are 5.5 million women working in farms as opposed to 1.5 million men. 90% of the workers in hazelnut fields in the Black Sea region and 80% of the workers in cotton fields in the Mediterranean region are women. (This state of affairs may be a reflection of an ancient tradition. Agriculture was started in Anatolia, at about 8000 BC by women, the great grandmothers of the women who toil in the fields today.)

13.6% of all industrial workers and 10% of all those employed in the service sector are women. 34.7% of the workers in the textiles sector and 60% of the workers in the food processing sector are women.

40% of all legal and medical professions, 35% of all bank employees and half of all teachers are women. The first woman ever to be appointed as a supreme court justice is Turkish, Melahat Ruacan, appointed in 1954.

34% of university faculty are women, while 34.8% are in the USA and 18% are in Germany. 20% of professors (13% in former Yugoslavia, 8% in former USSR, 5% in Greece, 3% in Germany), 31% of associate professors, 28% of assistant professors, 32% of lecturers, 54% of instructors and 36% of research assistants are women. There have been several female university presidents in the past and presently the president of Istanbul Technical University is a woman. Several university faculties have female deans.

Wage Discrimination: Even though employers are forbidden by law to discriminate with regard to sex, race, age and religion, in practice, wages received by

women are on the average 30% lower than the wages received by men. This is partly because women are expected to leave the labor force after marriage.

Marriage and Women's Participation in the Labor Force: Employers may be justified in their expectation that married women are likely to leave the labor force due to family obligations. 71% of working women are in the 12-34 age group. While most women older than 30 leave the labor force.

According to a survey conducted for the TUSIAD (Association of Turkish Businessmen and Industrialists), 76% of Turkish men do not want their wives to have jobs, and 59% do not allow them to. In 46.4% of families, only one member works. In 19.4% of families, two members work.

88% of the Turkish people believe that "woman means home and children." According to the same study, 52 % of Turkish people believe that it is more important for a husband to have a job than the wife. Interestingly, according to the same study, 86 % of Turkish people believe that the wife should contribute to the household income as well as the husband and 45 % of Turkish people believe that a woman should have a job in order to gain her independence.

Urbanization, Education and Women's Participation in the Labor Force: Urbanization and the educational level are the two most important determinants affecting women's participation in the labor force. 43% of the working women live in the 3 largest cities, Istanbul, Ankara and Izmir. Whereas only 15% of male workers have high school degrees and 8% have college degrees, 30% of female workers have completed high school, and 14% have college degrees. An increase in Turkish women's participation in the more advanced spheres of working life should be expected. Currently, 42% of all college students are women.

WOMEN'S PARTICIPATION IN LABOR FORCE

Level of Education	Percentage Working (%)
Illiterate	1.5
Elementary	5
Junior High	12.5
High School	30
Vocational High School	52
College or University	70

RELIGION

The Religious Composition of Population: 99.2% of Turks are Moslems, .03% are Orthodox Christians and .05% belong to other faiths. 26% of the Turkish Moslems belong to the Alawi sect and the remainder to the Sunni.

Religious Commitment: It is estimated that 43% of the adult population in Turkey performs their religious duties regularly and 47% occasionally. (*Tempo* Magazine, Istanbul.) 10% of the sample polled declined to respond to this question. Religious commitment is stronger among the lesser educated and lower income groups.

According to another study, 79.7% of Turkish people perform their daily prayers at least occasionally. (*Sabah*, June 30, 1990) On average, mosques are 1% full for morning prayer, 7% full for noon prayer, 4% full for afternoon prayer, 2% full for evening prayer and 2% full for night prayer. A poll carried out by the Gallup Organization shows that 65.5% of Turkish people fast regularly during Ramadan, 11.7% fast frequently, 7.8% fast occasionally and 15% never fast. (*Sabah*, April 11, 1990)

RELIGIOUS COMMITMENT

	Performs Religious Duties Regularly (%)	Performs Religious Duties Occasionally (%)
Level of Education		
Illiterate	78	21
High School	19	60
Post-secondary Education	14	52
Socio Economic Status		
Low	62	33
Middle	15	55
High	9	47

Religious Tolerance: There is a considerable degree of tolerance among Turkish people with respect to the observance of Moslem religious laws.

69.2% of the Turkish people think that there is no need to warn those who do not fast. Only 2.9% of Turkish people think that those who do not fast should be warned. (*Sabah*, April 11, 1990) 39.1% of Turkish people do not mind if somebody is seen eating openly during fasting hours during the month of Ramadan, 48.3% think it is wrong to eat during fasting hours but would not

interfere if someone chose to do so; and only 12.6% would find it necessary to warn those who eat during fasting hours. (*Sabah*, April 11, 1990) 37.2% of the people feel free to eat openly during fasting hours, 39% ask permission before they eat during fasting hours, and 23.8% would not eat openly during fasting hours. (*Sabah*, April 11, 1990)

Another measure of religious tolerance is the attitude with regard to the covering up of women's hair as required by Islam. According to the results of a poll condacted for *Tempo* magazine, only 31% of the population believes that women should cover up their heads as required by Islam. 58% believes that the choice should be left to the individual and 7.5% are opposed to the practice.

WHETHER WOMEN SHOULD COVER THEIR HEADS

	Should Cover (%)	Choice Should be Left to the Individual (%)	Should not Cover (%)
Sex			
Male	36	53	8
Female	27	63	7
Age Group			
26-35	26	64	9
46-55	41	51	5
56+	48	46	51

Secularism: Secularism is one of Ataturk's reforms. Turkey is one of the two secular countries in Europe; the other is France. The state is secular to the extent that official oaths are taken not in the name of God but in the name of "what the individual regards to be sacred."

In Turkey, *imams* (Moslem priests) are civic servants. This practice is contradictory to secularism, and yet it is a product of secularism. *Imams* were placed on the government payroll by Ataturk, the founder of the republic, in order to prevent them from developing an independent power base. Foundations set up for the upkeep of mosques during the Ottoman period were nationalized also for the same reason.

Religious Education: Religious education is obligatory beginning in the 4th grade all the way through high school. High schools which train imams are run by the government. There are 9 faculties for religion studies and 4 schools of

religion affiliated with universities. There are 384 such schools in Turkey. Roughly 250 officially certified Koran schools are run by mosques. It is estimated that several thousand Koran schools are run by private organizations and foundations.

As of 1996, approximately 17% of all students attending high school were being trained at schools training imams. Such schools produced 55,000 graduates annually even though the annual need for imams was only 2000. Most other graduates are employed in education and other government services.

Following the education reforms enacted in 1997, elementary education was extended to 8 years and junior high school level of imam schools were closed down. According to new regulations, graduates of imam schools can continue with their higher education only in the field of religious studies.

Fundamentalism: Fundamentalist female college students insist on covering their heads. The supreme court has ruled that this behavior is against the constitution, reasoning that since the constitution is secular, religious behavior cannot be allowed in public institutions.

The number of mosques in Turkey equals the number of mosques in the other 54 Moslem countries. During the Ottoman period, 13,000 mosques were built within the Empire spreading over 3 continents. The number of mosques in a country where there are 51,000 elementary schools and 2,522 high schools, is around 73,500 and 1,500 more are being built every year. The construction of a new mosque starts every 6 hours, whereas the construction of a new school starts every 10 days. 85,000 persons are employed by the government in jobs related to religion while the number of elementary school teachers is 225,000.

LAW

Legal System: The legal system is independent of the legislative and administrative branches of the government. Appointments of prosecutors and judges are overseen by independent boards affiliated with the Justice Ministry. The initial appointment of judges and prosecutors is made by drawing lots.

CRIME RATE (PER 1000 PERSONS)

Country	Crime Rate (per 1000 persons)
Germany	71.1
France	61.7
Holland	76.1
England	84.6
Italy	63.6
Greece	33.1
Turkey	*3.9*

The Appeals Court is in Ankara. If the decision of a lower court is twice overruled by the Appeals Court, the case is heard by the combined body of all appeal courts and the decision of this body is final. There is a constitutional court which determines whether laws and decrees are in accordance with the constitution. Government appointments and expenditures are supervised by independent judicial authorities.

According to a recent study by TUSIAD (Association of Turkish Businessmen and Industrialists), 63 % of the Turkish people trust the police and the legal system. (*Milliyet*, October 5, 1991)

Crime Rate: For a rapidly industrializing country with a high population growth and urbanization rate. The crime rate remains astonishingly low.

Crime in Istanbul: The crime rate in Istanbul is relatively low compared with other large world metropolises. In 1997, the total number of crimes committed was 126,000 in Istanbul, 595,000 in Berlin, 276,000 in Paris, 248,000 in Tokyo, 215,000 in Rome and 162,000 in Vienna.

COMMON FELONIES

Felony	% of those who Entered Prison Convicted for this Felony
Against Property	18
Against Individuals	14
Against Public decency and Family	8
Against Public Security and Welfare	4

CRIME IN ISTANBUL AND IN SELECTED MAJOR CITIES

Year	City	Murder	Theft	Car Theft	Mugging	Rape
1990	Istanbul	241	647	2744	458	N/A
	London	188	188,000	80,000	38,000	N/A
1991	NYC	2,202	N/A	N/A	126,119	3,062
	LA	1,856	N/A	N/A	129,124	4,114
	Chicago	1,027	N/A	N/A	77,623	4,403
	Houston	608	N/A	N/A	10,947	1,213
	Dallas	500	N/A	N/A	13,449	1,208
1992	Istanbul	311	11681	41	747	3,307
	Moscow	1,238	37,004	10,680	N/A	362
1995	Istanbul	313	10,983	5,898	766	N/A
	Tokyo	121	219,374	2,116	548	157
	Moscow	1,238	37,004	10,680	4,986	362
	Paris	130	233,205	29,768	69,162	2,306

Source: Istanbul Police Headquarters; *Milliyet,* December 2, 1991; *Hürriyet,* January 7, 1992

The city has 18,850 police officers, 10,000 lawyers and 300,000 ex convicts. There are 30,000 parking spaces in town, whereas 600,000 are needed. There is only 1 police man per 1,000 vehicles.

Drug Trafficking: Turkey is at the crossroads of major international drug transportation routes. Opium and hashish from the east goes to the west via Turkey and drugs such as Extacy and Coptagon are transported via Turkey to the east. The government wages a strong campaign against illicit drug trafficking. In 1998, 60% of all drugs captured in Europe and 40% of those captured in the world were captured in Turkey. 5 tons of hashish and 4 tons of heroin were captured and destroyed as a result of these operations.

LIFE STYLE

The Wedding Ceremony: Marriage is usually preceded by a proposal visit by the bridegroom and his family to the bride's home. After this visit, the bride and the bridegroom are considered as being "promised to each other." If the bride and the bridegroom continue to like each other after they are "promised," they become "engaged" and put on "engagement rings" at an "engagement party" which is held among relatives and close friends. At this party, it is customary for an elderly and respected relative to present the bride and the bridegroom their rings. The "engagement" ring is worn on the right hand. Rings are switched to left hands after the wedding. "Engagement" brings no legal obligations. However, in more traditional areas, the reputation of a girl can be damaged by the break up of an "engagement."

The wedding is held a few months after the engagement. Before the wedding, families of the bride and the bridegroom buy furniture for the house of the young couple. Usually, the bride's family buys the bedroom furniture and the kitchen utilities, and the bridegroom's family buys the living room furniture and utilities such as a washing machine and a vacuum cleaner. Dowry payments are rare. Jewelry and gold is presented to the bride at the wedding, and these remain her property even if there is a divorce. This custom can be considered a form of social security for the mother.

Marriage ceremonies take place in civic halls. The mayor or his representative carries out the wedding ceremony in the presence of two witnesses. Relatives and friends attend. It is customary to send wreaths to the wedding. As they leave, guests are presented sugar coated almonds or other candies in nicely decorated little packs. A party can be given in the evening. The newlyweds usually leave for a honeymoon after the party.

Wedding parties in large cities are attended by both men and women. In the countryside, separate wedding parties are held for men and women. Female guests meet in the home of the bride, and male guests meet in the home of the bridegroom. Women dye their fingers with a red paint called kina (henna) and perform local dances themselves. (According to Piar-Gallup, such an evening is organized at 83.9% of weddings. *Cumhuriyet* - June 10, 1998) Men drink, watch performances by local artists and, in some cases, fire their guns. Festivities in both houses usually last all night. The following day, the bridegroom's family takes the

bride from her home. In the country, the newlyweds usually live in the bridegroom's family home for some time. In urban areas, the newlyweds usually move directly to their own homes if they can afford to do so.

National Days: October 29, Republic Day, marks the founding in 1923 of the Turkish Republic at the end of the War of Independence.

May 19, Youth Day, marks Ataturk's arrival in Samsun, in 1919, in order to start the War of Independence.

April 23, Children's Day, marks the opening of parliament in Ankara in 1920, during the War of Independence.

August 30, Victory Day, marks the final victory of the Turkish army against the Greek army at Dumlupinar during the War of Independence in 1922.

Moslem Feasts: There are 2 major religious festivals in Islam. One comes at the end of the month of Ramadan, and the other 2 months later. The first lasts for 3 days, and the second lasts for 4 days. During the first feast, the ending of Ramadan is celebrated. During the second, a pilgrimage is carried out at the Kaba in Mecca, and those who can afford, offer rams as sacrifice. During Moslem holidays, new dresses are bought for children. People visit the homes of elder relatives and friends.

Moslem Rituals: The following five rituals are exercised by Moslem believers:

1. To testify that there is, only one God, Allah, and that Mohammed is his servant and prophet.
2. To pray five times (morning, noon, afternoon, evening, night according to the position of the sun) everyday.
3. To fast from sunrise till sunset everyday during the month of Ramadan. Moslem months are according to the moon and the Moslem calendar starts at 622 AD, the year the Prophet Mohammed migrated from Mecca to Medina. Therefore, the time of Ramadan according to the Western calendar varies every year.
4. To conduct a pilgrimage to Kaaba at Mecca.
5. To pay 2.5% of one's annual income as alms to the poor. Alms are to be paid not to the mosque or to a religious organization but directly to the needy beginning with one's immediate relatives.

Daily Prayers: Prayer times are announced by the *muezzin* who chants the holy *ezan* from the balcony of the minaret, "Allah is the Greatest, Mohammed is his servant and his prophet, come to happiness, come to salvation". Nowadays, one rarely sees a muezzin on the balcony of a minaret. Loudspeakers and cassette players are used instead. Prayers can be performed at any time between the beginning of one prayer and the next one. It is possible to later make up for a prayer which a believer misses due to binding obligation. One can pray wherever he or she is since one is in the presence of Allah at all times and places. However, there is greater good in praying at mosques together with other believers. Also it is necessary to take ablutions before prayers. Therefore, ablution fountains are found next to most mosques. In mosques, the *imam* leads the prayer immediately after the call *ezan*. The *imam* does not mediate between the believers and god as priests do in some other religions. Rather, the imam simply leads the prayer, and everybody repeats his actions.

During prayers, members of the congregation line up in rows behind the *imam*. All believers are equal when praying. Therefore, there is no stratification in mosques and those who come earlier get to pray at the front rows. It is believed that angels record the male believers beginning at the front row and the female believers beginning at the back row. This is the reason why, at prayer times, men are seen rushing to join the front row and why women pray at the back or on the balconies.

In Turkish, two words of Arabic origin are used both meaning "mosque:" *masjit* and *jamii*. *Masjit* is a small mosque whereas *jamii* is a larger mosque where Friday speeches can be given. The word mosque is derived from *masjit*. In Arabic, *masjit* means "a place to prostrate oneself" and *jamii* means "Friday". Both the *jamii* and the *masjit* has the *mihrab* where the *imam* prays. The jamii also has a pulpit, called the *minber* from which the sermon is delivered before the noon prayer on Friday.

The Friday sermon has a secular as well as a religious function because it marks the sovereignty of the state. The sermon is given on behalf of the sovereign. In Turkey it is on behalf of the "Turkish Republic." During the early days of Islam, Friday speeches were given by leading members of the community. In Turkey, Friday sermons are delivered by the appointed imam of the mosque or by a religious official who has been appointed specifically for this task. The state religious organization recommends to the speakers the topics to be covered at the sermons.

Funeral Ceremonies: The deceased is washed and wrapped in a white shroud. A simple, plain wooden coffin is used for burial. The body of the deceased is not put on display for friends and relatives. The funeral ceremony can be carried out at the end of any one of the daily prayers. For convenience usually the noon or the afternoon prayer is chosen.

The ceremony can be carried out at the end of the first prayer following the death. However, it is customary to wait at least a day in order for faraway relatives and friends to join the ceremony. Funeral prayers take place in the mosque courtyard. Prayers are brief. Only men used to attend funeral prayers but now women do so as well. After the prayers, the *imam* asks the congregation their opinion of the deceased. They all answer that they knew him as a very good person. It is a sin to express negative opinions about the dead. Then the *imam* asks whether they will testify to this at the final judgment day. The congregation answers loudly "Yes!" Following this ceremony, the coffin is carried off.

The custom is to carry the coffin on the shoulders. A hearse is used if the graveyard is not within walking distance. However, it is customary to carry the coffin on the shoulders at least on the way to the hearse and from the hearse to the grave. Because carrying a coffin is believed to be a good deed, men are seen rushing to do so.

Only men carry the coffin. Women stay at the back of the funeral procession. The coffin is brought to the grave by men as the women watch from a distance. The body, wrapped in a white shroud, is taken out of the coffin before burial. Close male relatives enter the grave pit in order to help to lower the body. Again, to shovel earth into the grave is believed to be a good deed, and men rush to use the spades in order to fill up the grave. Following the burial the imam who has led the ceremony has a solitary moment of prayer by the grave.

Strictly speaking, Islam does not allow grave visits. In Saudi Arabia where this rule is followed, even the kings do not have graves: a piece of stone in the desert marks the grave of a Saudi king! According to the Koran it is a sin to make wishes from the dead. When praying for his or her dead one should only pray for God's mercy for him or her. In Turkey, graves of persons raised to the status of saints by folk belief, are frequented by those who make wishes from them, ignoring the explicit ban of Islam.

Tea and Coffee Consumption: Contrary to what one might expect Turkey is not a land of coffee but tea drinkers. "Turkish coffee" is famous worldwide and coffee was introduced to the world by way of Turkey. However coffee is not grown in Turkey and never was. "Turkish coffee" is the name given to a way of making

coffee. Coffee is native to Ethiopia and was introduced in Yemen during the fifteenth century and to Istanbul, capital of the Ottoman Empire by the governor of Yemen during the 16th century. Sacks of coffee were among the materials left behind by the retreating Ottoman army after the failure of the 1683 siege of Vienna, and a captured Turkish Janissary soldier introduced the Viennese to the art of coffee making.

The total annual consumption of tea is 120 thousand tons. Turkish tea is grown along the Black Sea coast in the province of Rize. The annual consumption of coffee is 8,000 tons, 6,000 of which is Turkish coffee and the rest, instant and filtered. On the average, a Turk consumes 27 cups of coffee annually, whereas a Dutch person consumes 2,000 cups. The annual per capita coffee consumption is only 100 grams.

ANNUAL PER CAPITA COFFEE CONSUMPTION (KG.)

Country	Annual per Capita Coffee Consumption (Kg.)	Country	Annual per Capita Coffee Consumption (Kg.)
Finland	11.6	France	6.0
Sweden	11.3	USA	4.5
Austria	10.3	Italy	4.4
Holland	10.0	Japan	2.9
Switzerland	8.7	England	2.4
Germany	7.5	*Turkey*	*0.1*

Making Turkish Tea and Coffee: Turkish tea is made by simmering the tea leaves in a small pot over a larger pot of boiling water. Some of the hot water is added and the pot is allowed to continue to simmer. The tea is served in small, thin glasses. Dark tea from the small pot and boiling water is mixed in the glass according to taste.

When making Turkish coffee, thinly ground coffee and water and the desired amount of sugar is heated in a small pot. The pot is taken off the fire when it is about to boil (after a foam forms but before it actually boils). Coffee is served in small cups. The silt at the bottom is not consumed. It is believed that the remaining residue found at the bottom of the cooled cup can reveal your fortune!

Consumption of Alcoholic Beverages: The sale and consumption of alcoholic beverages is not banned as required by Islam. The annual per capita consumption is 18 liters. (21 liters in the USA and 19 liters in Germany.) 25% of the population (17 million) are alcohol users. 4 million (12.5% of the population) are

alcoholics. The consumption of alcoholic beverages increased by 900% between 1982 and 1990. 800 million bottles of alcoholic beverages are consumed annually.

The most popular alcoholic beverage is *raki*, which represents 72% of all alcohol consumed annually. Annual raki production is 110 million liters. Raki is made by distilling a mixture of anise and alcohol derived from dried grapes in traditional copper barrels which can hold 5,000 liters or less each.

Annual beer production is 500 million liters (approximately 8 liters per capita) 80% of the market is controlled by the Efes group. Demand for beer rises by 15% annually. Annual wine production is 40-50 million liters.

The Turkish Language: The Turkish language belongs to the Altaic branch of the Ural-Altaic family of languages and thus is closely related to Mongolian, Korean, Japanese, Finnish and Hungarian. The fundamental features which distinguish the Ural-Altaic languages from the Indo-European are as:

1. Vowel harmony
2. Absence of gender
3. Agglutination
4. Adjectives precede nouns
5. Verbs come at the end of the sentence.

Turkish is the sixth most widely spoken language in the world. It is spoken in Azeri, Turkoman, Tartar, Uzbek, Baskurti, Nogay, Kyrgyz, Cossack, Yakuti, Cuvas and other dialects which all go back to a common Ur-Altaic. The language spoken in Turkey proper is one of the southwestern dialects of the Western Turkish language family.

Recent studies show that Turkish is 8,500 years old and possibly related to ancient Sumerian. (The word for "day" is *gün* in Turkish and *kun* in Sumerian; the word for "person" is *kişi* (kishi) in Turkish and *giish* in Sumerian; the word for "arm" is *kol* in Turkish and *kuullah* in Sumerian; and the word for "god" is *tanrı* in Turkish and *dengri* in Sumerian.)

Leisure Activities: A recent Piar-Gallup poll revealed interesting information about the leisure activities of Turks. (*Radikal*, June 9, 1998 and *Cumhuriyet*, June 10, 1998) 90.8% of Turks do not belong to clubs or societies and 1.2% are sports club members. 5.8% go to the cinema, 3.4% go to the theater, 2.3% go to ballet and opera performances. 3.2% exercise regularly, 23% exercise occasionally. 72.5% do not watch live sports events and 52.6% do not watch sports events on TV. 44.9% do not read books. 65.9% do not vacation and 11.7% vacation only once a year.

GROWTH AND INCOME DISTRIBUTION

Economic Performance: Turkey's GNP is the 16th largest in the world. GNP has increased 12.7 times since 1970. During 1960-1994, Turkey had the highest GNP growth rate among developing nations. GNP growth averaged 5.1% over 1980-1997. During the same period, GNP growth rate was 2.7% in UK, 2.6% in Spain, 2.3% in Holland and Portugal, 2% in France and Austria, 1.9% in Italy and 1.5% in Greece. It is expected that Turkey's GNP will quadruple by 2025, making it the fourth largest economy in Europe after Germany, UK, France and Italy.

GNP INCREASES IN SELECTED COUNTRIES

Country	GNP in 1970 (billion $) (2)	GNP in 1993 (billion $) (3)	Increase (3)/(2)
South Korea	9	331	36
Saudi Arabia	5	122	24
Thailand	7	125	17
Indonesia	10	145	15

Turkey's recent economic performance is impressive but not as impressive as the performance of certain other fast growing countries. In 1950, Turkey's per capita GNP was one fifth of per capita GNP in western Europe. Today, the same ratio is one twelfth. In 1980, per capita income was approximately the same in South Korea and Turkey: $1,520 in South Korea and $1,470 in Turkey. As of 1997, per capita in South Korea was about five times as much as per capita in Turkey.

However, Turkey has not been as severely affected by the recent world economic crisis as these countries which seemed to be performing far better. According to World Bank and OECD estimates, Turkey will be able to maintain 5% economic growth annually, despite the world crisis.

Savings rate in Turkey is roughly 20%, which is half of what it is in Southeast Asia. This means slower economic growth but also strong domestic demand. (**Carrefour** in Turkey has the third highest sales volume in the world and **Benetton** has the fourth. French **Louis Vuitton** which sells expensive leather has twice the business volume in Istanbul as it does in Paris.) Foreign investment in Turkey remains relatively insignificant and the economic base is quite diversified. Consequently, Turkey was not as hard hit by the contraction of foreign demand and investment as the Southeast Asian countries.

Inflation: The inflation rate has been around 60-70% during the past 5 years. In 1997, Turkey had the second highest inflation rate in the world 93,2%. (The rate of inflation in the other high inflation countries was 103% in Russia, 47% in Venezuela, 27% in Gana, 27% in Ecuador, 20% in Mexico, 19.6% in Uruguay, 18.8% in Colombia, 11% in Pakistan, 6.5% in Philippines, 6.2% in Egypt, 8% in Brazil, 4.5% in China) Inflation rate for 1998 was 65%.

The country manages to survive successfully with inflation mainly because exchange rate is allowed to fluctuate and because real wages are flexible - whenever the inflation rate rises too high, real wages fall.

The main reason for the high rate of inflation is the persistent large budget deficits, equal to 25% of the budget. The reasons for persistent budget deficits can be summarized as follows:

1. Subsidies for state owned economic enterprises
2. Social security subsidies
3. Insufficient taxation
4. Service on the previously accumulated debt.

According to the OECD *1998 Economic Outlook,* inflation will be down to 36% by 2003. The fall is expected to be not sharp, but gradual, as the problems mentioned above are removed.

Problems related to social security, insufficient taxation and debt service have been discussed elsewhere in the book. A few words need to be said here about the state owned economic enterprises and their privatization.

Privatization: State owned economic enterprises are a legacy of the early years of the republic when industrialization was undertaken by the state, in an effort to make up for the shortage of capital created by the Great Depression. Textile, steel, cement, glass, paper, sugar industries, production of energy, oil and other minerals and railways, airlines and shipping enterprises were undertaken by the state. These enterprises served a valuable purpose in promoting industrialization and in training workers and managers. However, under modern economic conditions, these enterprises are regarded as a burden on the economy. Subsidies to the enterprises employing old technology and too many workers are a burden on the government budget. Efforts are underway for privatization, in order to improve efficiency and technology. In 1983, Turkey was one of the first countries to start a privatization program. But the rate of progress of privatization

has been rather slow. Nevertheless, $3.165 billion worth of privatization realized between 1990-1996 made Turkey the 3rd in this area after Hungary ($10.185 billion) and Poland ($3.599 billion). In 1998, major progress seemed to be underway with the sales of public shares in the İş Bank, one of the largest in Turkey, and of the state owned oil company POAS. However, the downpayment from the sale of POAS failed to materialize. Privatization efforts were dealt a further blow when serious accusations of corruption were brought up in relation to the sale of another bank, Turkbank. After the elections in April 1999, privatization is expected to proceed with the sales of Turkish Airlines and Turkish telephone company Turk Telekom.

Development Indices: Per capita GNP increased by 8% in 1997 and 4.5% in 1998, reaching $3,224. Turkey's rank among other nations in terms of its per capita GNP is 33rd.

PER CAPITA GNP IN SELECTED COUNTRIES (1997)

Country	per capita GNP	Country	per capita GNP
Switzerland	44,320	Greece	12,010
Japan	37,850	South Korea	10,550
Singapore	32,140	Portugal	10,450
USA	28,740	Brazil	4,720
Germany	28,260	Malaysia	4,680
France	26,050	South Africa	3,400
Kuwait	22,110	*Turkey*	*3,224*
Australia	20,540	Russia	2,740
Italy	20,120	Iran	1,780
Canada	18,628	Romania	1,420
United Emirates	17,360	Bulgaria	1,140
Spain	14,510	Indonesia	1,110

In real terms, per capita income in Turkey is probably higher. In terms of "purchasing power parity" which takes price differences between countries into consideration, Turkey's national income was estimated as $6,430 in 1998.

Another measure of welfare, the "Human Development Index" (HDI) developed by the United Nations Development Program (UNDP), takes life expectancy and education of the population into consideration as well as the

income level when measuring welfare. The HDI for Turkey was .792 in 1995. Turkey had the 7th highest HDI growth rate during the years 1970-1990.

Informal Sector: In Turkey, a wide range of economic activities are not recorded for tax evasion and other reasons, and therefore do not enter into national income accounts. The total volume of these activities, (the so called "informal sector," or the "unofficial" or the "underground" economy), is estimated to be equal to 40-50% of the official or "recorded" economy. (45% in Poland, 24% in Italy, 15% in France, 15% in Germany, 12% in UK, 9% in the USA, 9% in Japan, 6% in Switzerland.) The term "underground economy" does not necessarily mean criminal activity. Production of food for domestic consumption is among the many other innocent economic activities included under this heading.

When the "underground" economy is taken into consideration, per capita income in Turkey is probably higher than the official figure by 40%. (Dr. Turkmen Derdiyok, in his "Estimate of Turkey's Unofficial Economy," *Milliyet*, June 6, 1993) According to the Director of the State Institute of Statistics Prof. Dr. Ömer Gebizlioğlu, when the "underground" economy is taken into consideration, per capita income in Turkey is $11,000. (*Hürriyet*, June 9, 1998)

Income Distribution: The top 20% of the population receives 55% of the national income and the lowest 20% receives only 5%. Per capita income of the lowest 20% of the population is estimated around $789 and the per capita income of the top 20% of the population is estimated around $6,019. Per capita income of the top 5% (3.5 million persons) is $19,329, whereas the Per capita income of those in the lowest 5% group is $400. 1% of the population in Istanbul captures 30% of the GNP produced in this town. There are 12,500 Dollar millionaires in Turkey.

HUMAN DEVELOPMENT INDICES

Country	HDI	Country	HDI
Canada	.982	New Zealand	.947
Japan	.981	Italy	.922
Switzerland	.977	Spain	.916
USA	.976	Hong Kong	.913
Sweden	.976	Greece	.901
Australia	.971	Former USSR	.873
France	.969	Singapore	.848
Holland	.968	Argentina	.833
Britain	.962	Mexico	.804
Germany	.956	*Turkey*	*.792*
Austria	.95	Thailand	.685
Belgium	.95	South Africa	.674

Results of income distribution studies carried out for the State Institute of Statistics (SIS), State Planning Organization (SPO), Turkish Union of Industrialists and Businessmen (TUSIAD) and independently by Professor Merih Celasun are summarized in the table.

INCOME DISTRIBUTION IN TURKEY

Study	Lowest 20%	Fourth 20%	Third 20%	Second 20%	Top 20%
TUSIAD (1986)	3.9	8.4	12.6	19.4	56.9
SIS (1987)	4.0	7.0	12.5	21.4	56.9
Prof. Melih Celasun (1983)	2.6	6.9	13.0	21.0	55.0
SPO (1996)	5.2	9.6	14.0	21.1	49.9
SIS (1996)	4.9	8.6	12.6	19.0	54.9

According to the TUSIAD study, on the average, the top 20% income group households earn 14.4 times more than lowest 20% income household groups. According to the 1983 (Prof. Merih Celasun) study, the same ratio is 47. The worldwide estimate for the same ratio varies between 1 to 60 to 1 to 135 and is expected to reach 1 to 150 by 2000. (*Milliyet,* February 8, 1999)

On average, employees in the agricultural sector earn 3 times less than the employees in other sectors. Wage earners earn 18.3% of GNP, and recipients of rent, interest and profits earn 83.7%.

INCOME DISTRIBUTION BETWEEN REGIONS

Region	Households Living in the Region (%)	Share of GNP (%)
Marmara (Istanbul And Environs)	26.6	38.6
Aegean (Western Turkey)	15.7	13.9
Mediterranean (Southwest)	12.5	11.0
Central Turkey	17.9	15.4
Black Sea	12.8	10.9
East	7.1	5.7
Southeast	7.4	4.5

Regional Income Distribution: There is inequality of income between regions as well. Per capita income in the east is about one third of national average. (*Sabah,* August 19, 1989) Istanbul captures 27.5% of the GNP and Istanbul, Ankara and Izmir together capture 37%. Income distribution between regions is shown below. Average household income in Istanbul ($11,367) is 3 times the national average.

Distribution of GNP Between Sectors: The distribution of the GNP and of the work force according to various sectors is shown in the table:

DISTRIBUTION OF GNP BETWEEN SECTORS (%)

Sector	% Share of Sector Output in Total GNP	% of Working Force in the Sector
Agriculture	16	51
Industry	31	14
Trade	17	4
Other Services	36	31

INDUSTRY, ENERGY, OIL

Industrial Production: Turkey is self sufficient in the production of paper, sugar, glass, cement, steel and glass. Cars, busses and trucks, and all household goods such as radios, television sets, videos, washing machines, vacuum cleaners are assembled in Turkey. There are 3 major steel mills, 5 refineries and 2 petrochemical complexes. Turkey is the 12th largest producer of steel, 6th largest producer of cement, 4th largest producer of cotton fiber, 6th largest producer of cotton yarn and the 4th largest producer of woolen fiber.

Textiles, garments, other weavers and leather goods account for 25% of manufacturing output and 30% of manufacturing employment. Capacity is 2.5 times domestic demand and the industry is therefore export oriented. Recently, the industry is challenged by competition from far east. However Turkey has a long tradition in the field and skilled labor. In order to meet the challenge, the industry is likely to concentrate more on finished and high value fabrics, ready-to-wear garments and high quality, branded designs.

Presently, Turkey's annual car production capacity is 250,000 vehicles. Renault, Fiat, British Ford, Toyota, General Motors (Opel), Honda and Hyundai produce cars in Turkey. Mercedes Benz is the largest producer of busses and Chrysler the largest producer of trucks. On the average, 70% of the parts of the vehicles produced in Turkey are Turkish made.

Turkey is the biggest producer of TV sets in Europe after UK. Turkish producers control 20% of the TV market in Europe. Total annual production which was 7 million in 1998 is expected to reach 9 million in 1999. A major producer of household goods is Arcelik, which exports its products to Europe under the brand name Beko.

Energy Sources: The major sources of energy are oil (37%), lignite (18.6%) coal (12.5%), and natural gas (7%). In the countryside, wood (8.8%) and animal waste (4%) are also used as sources of energy. Only 12% of hydro potential is utilized and 12% of energy needs are met through hydro sources. Annual coal production (hard and lignite) is about 55 million tons.

Oil and Natural Gas: Annual oil production is 3 million tons. Production of natural gas is 99 million cubic meters. Domestic production meets 12% of oil consumption. Imports from Iran and Iraq used to make up

three-quarters of the total of all oil imports. Countries supplying oil to Turkey changed after the Gulf War. Imports from Iraq were stopped, and Saudi Arabia (68%) and United Arab Emirates (13%) became the largest suppliers. During 1979-84, when oil prices were high, payments for oil imports were equal to 32-40% of total imports. After the decline of oil prices, the share of oil imports in the total volume of imports declined to 17%. Natural gas is imported mainly from the Soviet Union via pipeline and is being used in the houses in Ankara, Istanbul and in other large cities and in power stations. Some natural gas is also imported from Algiers and some is produced domestically.

Electric Production and Consumption: Total electricity produced was 108 billion kWh in 1998. Consumption was 115 billion kWh. The deficit was imported from Bulgaria, Georgia and Iran. 12% of all electricity produced in Turkey is lost during distribution. If full capacity utilization of power stations were possible, total electricity production would have been nearly half as much again.

Electric production increased by 4.6% annually during 1973-1993, the highest rate among OECD countries. (OECD average for the same period was .8%.) 62% of electricity is obtained from thermal sources (34% from lignite, 2% from coal, 8% from oil, 16% from natural gas) and 38% from hydro sources. There are no nuclear power stations. For several decades, there has been plans to build a plant at Akkuyu, near the Mediterranean. First station utilizing wind power was started at Çeşme near İzmir in 1998.

PER CAPITA ELECTRICITY CONSUMPTION IN SELECTED COUNTRIES

Country	Per capita Electricity Consumption (kWh)
Germany	6,740
EU Average	4,925
Italy	3,665
Spain	3,270
Greece	2,862
Portugal	2,067
USA	11,130
Turkey	*1,900*

Per capita electricity consumption in Turkey is about 1,900kW and is expected to reach 4,000kW by the year 2010 and 6,000kW by 2020. Electric consumption increases by 8% annually. Total electric consumption is expected to reach 270 billion kW during the first decade of the 21st century and 492 billion kW by the second. In order to meet her energy needs, Turkey has to build one Ataturk Dam every year. Industry consumes 62.5% of all electric produced, houses consume 20%, businesses consume 7%, government offices consume 8%.

AGRICULTURE

Main Agricultural Products: Turkey is the world's largest producer of hazelnuts, apricots, figs, dried raisins, eggplant, and the world's second largest producer of pistachios, chick peas, lentils and peppers.

Turkey produces 75% of the world's hazelnuts. Spain, Italy and the USA produce the rest with Spain being the second largest producer.

35% of the world's fig (70-75% of world fig exports), and 20% of the world's apricots are produced in Turkey. There are 10 million apricot and 9 million fig trees in the country.

Turkey is the second largest producer of pistachios after Iran. 30% of world pistachio production is realized in Turkey.

In terms of vineyards, Turkey, with 800,000 hectares is the fifth largest country, after Spain (1.7 hectares), Italy (1.4 hectares), the USSR (1.3 hectares) and France (1.2 hectares). 60% of all vineyards in Asia are in Turkey. Turkey is the sixth largest grape producer, after Italy, France, the former USSR, Spain and the USA. 35 % of world dried raisin production takes place in Turkey.

MAIN PRODUCTS BY REGIONS

Area	Main Agricultural Products
Black Sea	Tobacco, hazelnuts, maize
Central Turkey	Wheat, barley, oats, lentils, chickpeas (About a quarter of all wheat produced in Turkey is from Central Anatolia)
Mediterranean	Citrus, cotton, rice.
Aegean	Olives, figs, cotton, tobacco, grapes, raisins, apples, wheat
Marmara	Sunflowers, rice, wheat, olives, grapes (64 % of all sunflower seeds produced in Turkey is from the Marmara region.)
Eastern Turkey	Husbandry

Turkey is the world's fifth largest producer of olives after Spain, Italy, Greece and Portugal. It is estimated that there are 80 million olive trees in the country. Per capita olive oil consumption is only 1 liter. (26 liters in Greece, 17 liters in Italy and 14 liters in Spain.)

The production of citrus fruits meets Turkey's domestic demands, and some is exported. Turkey's share of the world output is about 3%, and Turkey is the 11th largest producer in the world.

Turkey is the sixth largest producer of tobacco, after the USA, China, India, Brazil, and the USSR and the world's sixth largest producer of cotton after China, USA, India, Pakistan and Uzbekhistan.

Area Cultivated: Turkey is one of the 19 countries which has no further land reserves. Since 1960, arable land per capita has decreased from 9.5 decars to 4.9 decars. The total arable land is 280 thousand sq. km (35% of total). About one quarter of arable land lies fallow every year. Fertilizers are used on 60% of the arable land. 55% of the arable land can be irrigated and half of this total is. Two-thirds of the arable land is harvested for seed crops.

Sizes of land Holdings: Land holdings vary from 2 or 3 hectares up to 3,000. The advantages of large holdings become obvious as machine planting and harvesting spreads. However, holdings tend to be split up due to inheritance laws. Fragmentation of land holdings reduces yield and efficiency.

Yield in Agriculture: Overall yield is low in agriculture. Even though agricultural products make up only 16% of the GNP, 51% of the total labor force is employed in agriculture (9% in the EU.) The number of those employed in agriculture in Turkey is equal to the total number of those employed in agriculture in the countries of the EU.

Yet the yield is high in certain agricultural products. The yield in potato output is 22.7 tons per hectare. This figure is 24 tons in Austria and 34 tons in France. The Yield per hectare in wheat is 2.15 tons in central Turkey, and 3.2 tons in the Marmara region. The average yield in wheat is 2.6 tons in the USA. The yield per hectare is 3,113 kilos in rice, 817 kilos in cotton, 1,630 kilos in sunflowers and 924 kilos in tobacco. Yields are higher on the milder coastal regions as compared with the colder and drier central and eastern regions. The Ministry of Agriculture supplies seeds for major crops. Certified seeds are produced by state owned farms or by private companies. Some private seed companies have licenses for research. Government also invests in improving land and water.

Growth of Agricultural Production: The growth of output in agriculture has been lagging behind the growth rate of the population. Since 1976, the

population has increased by 47%, and agricultural output has increased by only 30%. The increase in population during the past decade is 19% and increase in agricultural production 16%. According to FAO statistics, the per capita agricultural output has decreased by about 7% since 1980. During the same period animal stock fell by 15%.

Self-sufficiency in Food Production: In the not too distant past, Turkey claimed self-sufficiency in food production even though production never exceeded the minimum food requirements of the population. During recent years, there has been an increase in food imports. The total volume of food imports in 1996 was $5 billion, half of which was spent on meat. Wheat, sugar, sunflowers, cotton and rice were other major imports.

Husbandry: As of 1997, there were 12 million cattle, 30 million sheep, and 8 million goats. 15% of goats are native Angora. There has been a continuous decline in the number of stock animals mainly due to PKK terrorism in the Southeast. On the other hand, there has been a major increase in poultry. Number of poultry in Turkey has risen from 61 million in 1987 to 175 million in 1997. Turkey is a leading country in honey production. There are 350,000 horses and 640,000 donkeys in the country.

Fishing: The annual fish catch is 500,000 tons. 7% of all fish is caught in a fresh water. The annual fish catch per person is about 9 kilos. The world average annual fish catch per person is 19 kilos. (493 kilos in Norway, 332 kilos in Denmark, 103 kilos in Japan and 20.5 kilos in the USA.)

Forests: The forest area per capita is .35 hectares. 26% of Turkey is classified as forest, while 18.7% of Canada, 7.2% of Australia and 1.2% of the world as a whole is. Approximately 11 million hectares (half) of the forest area is now unproductive and the mature forested area is decreasing due to various factors such as land used for agriculture, uncontrolled razing and forest fires. The Forestry Department has a large scale reforestation program. The success of this program depends on the improvement of social and economic conditions of forest villagers, and measures are being taken towards this end.

Turkey's forests have great variation from cone-bearing, needle-leaf evergreen forest to forests with deciduous trees belonging to the mild climate zones. However, present forest management strategies are timber production oriented and do not incorporate the value of forests from a more comprehensive

perspective as genetic resource reservoirs.

Erosion: Rapid land erosion is taking place because of wrong land use, overgrazing and deforestation. Erosion is proceeding 17 times faster than the rate in Europe and 6 times faster than the rate in North America. Annually, 500 million tons of topsoil is lost due to erosion. If erosion continues at its present rate, 85% of the country will have turned into desert by 2010. During the past decade, Turkey's meat imports increased by 2000%. Ecologists claim erosion is the reason. During the same period, Turkey lost 40% of its top soil and half of its pasture land.

Suppart for Agriculture: In the 70 s, 25 agricultural products were supported by the government, As of 1997, the production of onlg grains, sugar beet and tobacco is supparted by the government. Government support per person employed in agriculture is $ 344. (1,400 in Portugal, 4,000 in Greece, 6,300 in Germany, 9,700 in France and 15,800 in Ireland. EU average is $ 6,133.)

SOUTHEAST ANATOLIA PROJECT

The Project: The Southeast Anatolia Project (*Guneydogu Anadolu Projesi*-GAP) consists of 22 dams (8 on the Tigris, 14 on the Euphrates) and 19 hydraulic power stations which are being constructed on the Euphrates and Tigris rivers two 26.4km long irrigation tunnels and the related 4000km long network of irrigation channels. Estimated cost of the project is 32 billion dollars. 12.6 billion dollars has been spent. 57% of energy production has been completed. 60% of the total amount spent has been retrieved by electric production at Ataturk and Karakaya dams.

The project will affect an area of 73,863 square km. This area is equal to 9.2% of Turkey's total. (239% of Belgium or 176% of Holland or 74% of South Korea.) Currently, approximately 8% of Turkey's population lives in the GAP area. By the year 2012, 16% of Turkey's population will be living in the same area. After the completion of the project, 1,633,000 hectares of land will be irrigated. This is equal to 8% of all agricultural land in Turkey and to 20% of all arable land. When the project is complete, annual food production of Turkey will have risen sufficiently to feed an additional population of 80 million persons and additional jobs will have been created for 3.8 million persons.

It is expected that agricultural yield will increase 17 times after irrigation. This means that the project will lead to a doubling of Turkey's agricultural output. Farms will be able to plant three crops annually and grow cotton, corn, soybeans, fruit, vegetables and flowers. It is expected that the value of agricultural production in the region, which was $800 million in 1980 will be boosted to $6.6 billion by 2010. Total electricity produced by the dams in the project is 27.3 billion kilowatt hours. This is equal to a quarter of Turkey's present annual electricity production.

The implementation of the project has already had a major impact on the economy of southeast Turkey. Economic growth rate for Turkey as a whole was 4.7% during 1983-1996 but 7% in Southeast Turkey.

Ataturk Dam: The most important part of the Southeast Anatolia Project is the Ataturk Dam, which was constructed on the Euphrates near Urfa. The 169 meters high dam which can hold 49 billion cubic meters of water, is the 4th largest in the world. Water will be transmitted from the dam to the Harran plains in Urfa through two tunnels which are 26.4 km. long each.

The construction site of the dam was the largest in the world. 7,262 persons, including 210 engineers and 1,300 drivers, were employed daily in the construction. Concrete used in construction would have been sufficient to build 55,000 residences, each covering an area of 100 sq. meters.

The Ataturk Dam will irrigate 1.4 million hectares of land, which is approximately equal to 6% of all arable agricultural land in Turkey. The dam will produce 9 billion kilowatt hours of electricity which is equal to approximately 10% of current electric production.

The Ataturk dam was constructed by a Turkish company. Turbines and generators were supplied by a Swiss company. Daily expenditures during construction was $750,000 and the total cost was $2.5 billion. Financing was realized exclusively by the Turkish government as international institutions refused to participate because of the opposition by Turkey's neighbors. (See below section 17.3) The dam paid for itself in one year through sales of electricity.

Ecological Problems: Implementation of the project is leading to ecological problems. Humidity in the affected area has risen from 30% to 90% leading to a proliferation of insects. Farmers, who needed to spray pesticides only 4 times annually now spray 10-15 times. Because of insufficient drainage, 3 tons of salt accumulate per hectare following each irrigation period.

The GAP Project and Turkey's Neighbors: The implementation of the Southeast Anatolia Project (GAP) has created tensions between Turkey and her Arab neighbors. Annually, the Euphrates carries 30 million cubic meters of water to Syria, meeting 90% of this country's needs. According to one estimate, the full implementation of the GAP scheme, including the irrigation projects, will cut Syria's permanent share of the Euphrates by 40% and Iraq's by 80% (Estimate by Prof. Thomas Naff of the University of Pennsylvania, *Economist*, May 12, 1990). Because of its high population growth rate 3.8% per year, the highest in the Middle East, Syria may have water shortage problems even if the supply from the Euphrates is not reduced.

Iraq and Syria claim

- the Euphrates and Tigris are international and shared resources,
- they have "acquired rights" over the Euphrates related to "ancestral irrigation" dating from ancient Sumerian periods which Turkey, an upstream state, has no right to take away,

- and demand the sharing of waters according to the needs which each country will determine separately.

However, Turkey claims that the demands of Syria and Iraq,

- lack goodwill,
- are unrealistic,
- and exaggerated.

Joint Syrian and Iraqi claims on the Euphrates lack goodwill because they do not take into consideration the waters of the Tigris which flows from Turkey into Iraq, whereas the Euphrates flows first into Syria and then into Iraq. Turkey can use only 13% of the waters of Tigris although 51% of it originates on its soil. If Iraq were to channel some of the waters of the Tigris to the Euphrates using the Thartar canal near Baghdad, its demands on the Euphrates would be greatly reduced. Another sign of the lack of goodwill on behalf of these Arab states is Syria's allowing only 10% of the waters of the river Orontes, which originates on its soil, to flow into Turkey.

Syrian and Iraqi claims are unrealistic because the water demanded by Syria and Iraq exceeds the total capacity of the river. Total water flow on the Euphrates is 35 billion cubic meters, 89% of which originates in Turkey. Turkey wishes to use 51% (18 billion cubic meters) of the waters of the Euphrates. Syria, where 11% (4 billion cubic meters) of the waters of the Euphrates originate, wishes to use 35% of the total (12 billion cubic meters) and Iraq, where none of the waters of the river originates, claims 66% (23 billion cubic meters) of the total.

Finally, Syrian and Iraqi claims are exaggerated. Syrian farmers use the archaic flooding technique in irrigation which wastes 70% of the water. Syria's water needs would be greatly reduced if more modern irrigation methods were employed.

In response to the Syrian - Iraqi proposals outlined above, Turkey proposes a three stage plan which involves

- an inventory study of water resources in the three countries including a study of evaporation, temperature and rainfall;
- an inventory study of land resources based on soil classification and of irrigation methods;
- and allocation of water on the basis of irrigation and leaching water requirements based on the above information and assumption that projects which minimize water losses are employed.

In order to fill the Ataturk dam completely at one go, Turkey would have had to stop the Euphrates for nearly two years. In practice, the filling has been gradual. Turkey has further demonstrated her goodwill by providing Syria with 500 cubic meters of water per second from the river Euphrates. Syria would like this amount to be raised to 700 cubic meters per second and Turkey to make a formal commitment to this end.

Turkey claims that the construction of the dams on the Euphrates is a blessing and not a problem for Syria. The dams assure a regular supply of water, rather than wet and dry seasons. In 1989, the existence of dams enabled Turkey to maintain the flow of 500 cubic meters per second even though the flow of the river had dropped to 289 cubic meters per second.

There is concern that Turkey may be subjected to international pressures to give concessions with regard to water as part of a peace deal in the Middle East. 15% of total water consumption for Israel is from the Golan Heights. Israel wishes to continue to use this water source even if the area were to be returned to Syria.

However, that Turkey is "water rich" enough to donate water to her neighbors is an illusion. The country can hardly rank in the same league as Canada or New Zealand where the amount of water per capita is over 100,000 cubic meters. Water resources per capita are 1,420 cubic meters in Syria, 2,110 cubic meters in Iraq and 1,830 cubic meters in Turkey. Turkey's total water potential is 186 billion cubic meters of which only 110 billion cubic meters is available. Turkey utilizes only 26 billion cubic meters of its capacity. The remaining 84 billion cubic meters is not surplus but represents the amount which cannot yet be allocated to the country's needs. In the year 2020, if Turkey cannot find a better means of utilizing its water resources, the amount of water available per capita will be down to 980 cubic meters.

Nevertheless, Turkey has developed projects which would considerably contribute to the water needs of her neighbors. A "peace pipeline," which could carry 6 million cubic meters of the waters of the rivers Seyhan and Ceyhan to Syria, Iraq, Jordan, Saudi Arabia and to the Gulf, has been rejected by Arab states as a propaganda ploy. The project involves two pipelines, one reaching Jeddah in Saudi Arabia and the other reaching the Gulf. The estimated cost of the project is 21 billion dollars, and the estimated cost of water to be provided by the project is $1 per cubic meter. Turkey has also completed a project which enables her to sell 500,000 cubic meters of the waters of the Manavgat River daily to the water needy countries of North Africa and the Middle East.

TRADE AND TOURISM

Imports and Exports: Despite the overall decline in world trade during 1990-1996, Turkey's trade continued to increase annually at the rate of 11% compared to 4.5% for EU, 7.5% for North America and 7% for Japan. In 1998, imports were $49.5 billion, and exports were $27.5 billion. Trade deficit is financed through tourism revenues, worker's remittances and "suitcase trade" (see below).

In 1997, Turkey's trade deficit of $21.2 billion was the 2nd largest in the world, following the deficit of the USA, which was $197 billion. During the same year, the UK had the 3rd largest trade deficit of $20.5 billion.

The manufacturing base of the country was built through import substitution. During the years 1926 to 1950, industry as a share of GNP rose from 9% to 30% and agriculture dropped from 50% to 16%.

COMPOSITION OF IMPORTS AND EXPORTS

Main Export Items	(%)	Main Import Items	(%)
Industrial Products	87.4	Industrial Goods	82
Agricultural Products	10.7	Agricultural Products	11
Minerals	1.9	Raw Materials	7

Import substitution failed to encourage the evolution of competitive industries. This issue was not addressed until 1980. Since 1980, exports as a percentage of Turkey's GNP have almost tripled to 10%. Turkey has shifted its comparative advantage in international trade from agriculture to industry and services. Since 1980, share of agriculture in Turkey's total exports has dropped from 57% to 10.7% and share of industry and services has increased from 36% to 87.4%.

Manufacturing strength is in textiles, automotive, steel, chemicals, cement, consumer durable and glass industries. Other industries such as electronics have begun to gain ground. Textiles has been by far the fastest growing export industry. Textiles make up 40% of all exports.

MAIN TRADING PARTNERS OF TURKEY

Country	(%) Share of Turkey's Exports	Country	(%) Share of Turkey's Imports
Germany	24	Germany	16.5
Russia	7	Italy	9.3
UK	6	US	8.6
Italy	5	France	6.2
		UK	5.7

"Suitcase Trade" : Following the collapse of the socialist regimes in East Europe and Russia, a new form of trade emerged between the freshly emerging capitalists from these countries and Turkey: The so called "suitcase trade." Tourists from those countries arriving in Turkish towns (mainly Istanbul, but also Trabzon and some others) fill their "suitcases" with merchandise which they sell at home.

This form of trade is a relatively inexpensive way of supplying the consumers from these countries with much needed consumer goods and a very important source of international currency for Turkey: The annual volume of sales to "suitcase traders" was $10 billion in 1997, which was equal to half of Turkey's official trade deficit. In 1997, daily, on the average, 25 busses, 5 cruise ships and 3 planes brought Turkey East European and Russian tourists engaged in the "suitcase trade". In Istanbul, there were 40 thousand shops specializing in the "suitcase trade" employing 200,000 workers. 12 thousand Turkish manufacturers were producing mainly for the "suitcase traders." The main items demanded by "suitcase traders" were textiles, leather, biscuits, detergents, soap, chocolate, vegetables and fruit. The suitcase trade was affected negatively by the economic developments in Russia and was cut in half in 1998.

Foreign Investment: That Turkey is one of the 15 largest and also one of the fastest growing markets of the world makes Turkey attractive for international investment. Favorable relations with neighboring markets, favorable regulations and a well developed infrastructure and human resources are other factors which increases the attractiveness of Turkey for foreign capital.

Despite that, Turkey's annual share of foreign investment has remained low around 1%. (23% for USA, 12% for China, 4% for Brazil and 2% for the Russian Federation.) Total increase in foreign investment since 1981 was $7 billion. This amount is less than the volume of annual foreign investment in Brazil. Share of foreign investment in total investment in Turkey is 2%.

Foreign capital companies operating in Turkey totaled 4,068 at the end of 1997. The total volume of foreign investment is $10.6 billion. 60% of foreign investment is by EU firms. (19% Holland, 18% France, 11% Germany, 5% Italy, 5% England, 11% USA, 8% Japan.) 14% of foreign investment is in automotive, 14% in banking, 10% in commerce, 7% in electronics, 6.5% in tobacco, 6% in food, 6% in chemicals and 6% in tourism.

Tourism: Turkey is rich in terms of tourist resources. The country has sunshine, one of the longest and cleanest shorelines along the Mediterranean,

33,400 archaeological sites, 44,000 buildings of historical interest and more than 100 ongoing archaeological excavations. During the recent years, there has been a marked improvement in tourism infrastructure. The total number of beds available for tourists has risen from 10,000 in 1963 to 550,000 in 1998. There are 4,200 travel agents and 7,000 tour guides. It is therefore not surprising that tourism has experienced a phenomenal growth during recent years.

The tourism revenues rose from $411 million in 1963 to $8.3 billion in 1998. Tourism revenues equal 20% of exports, 40% of the trade deficit and 4% of the GNP (6% in Portugal, 3.9% in Greece and 3.8% in Spain). Turkey's tourism revenues are the 12th highest in the world. Annual tourism revenues are $74.2 billion for the USA, $30.4 billion for Italy, and $30 billion for France and $29.5 billion for Spain. In 1997, Turkey captured 1.5% of world tourist revenues. (US captured 17%, Italy 7%, France and Spain 6% each and UK 5%.) Turkey's share of Mediterranean tourism is 4.4%. (The share of France is 35%, of Italy 17.5% and of Greece 6%.)

The number of tourists rose from 1,625,000 in 1983 to 9,700,000 in 1997. (France 70 million, USA 47 million, Spain 47 million, Italy 35 million, UK 25 million, Greece 11 million) In 1998, Turkey was the 19th most visited country in the world while France, followed by the USA, Spain, Italy and the UK were the most visited. During the past two decades, Turkey has had the highest growth rate among OECD countries in terms of number of tourists per capita. Yet, this ratio remains relatively low, indicating great potential.

TOURISTS PER CAPİTA AND PER SQ. KM IN OECD COUNTRIES

Country	Tourists/ Capita in 1972	Tourists/ Capita in 1992	Tourists/ sq. km in 1972	Tourists/ sq. km in 1992
Turkey	*2.8*	*12.5*	*1.3*	*9.0*
France	19.1	104.5	18.0	108.0
Greece	27.4	90.6	18.0	71.0
Italy	64.3	86.7	116.0	166.0
Portugal	45.5	89.7	43.0	97.0
Spain	94.4	141.9	64.0	110.0

Average stay of the tourist in Turkey is 12 days up from 8 days in 1983. 10% of tourists stay for only one day. In 1997, the largest number of tourists came from Germany, (2.4 million; 21.5%), the former USSR (1.5 million; 18%), the

UK (915 thousand; 9.5%) and the USA (364 thousand; 3.8%). 50% of tourists coming to Turkey come to vacation and 13% come for cultural reasons. 29% of tourists coming to Turkey are in the 25-34 age group; 25% in the 35-44 age group; 18% in the 44-54 age group and 10% in the in the 54-65 age group. 10% of tourists coming to Turkey are retired. (TURSAB - Association of Turkish Travel Agents)

PUBLIC SECTOR

Budget Expenditures: In 1996, 38% of the national budget was spent on debt service, 24% on wages and salaries of government employees, 11% on education, 10.1% on defense, 3% on health and 4.3% on infrastructure investment. Budget deficit was equal to 25% of total budget expenditures and 5.5% of the GNP. It is expected that debt service will make up nearly 50% of the budget in 1999.

Tax Revenues: In 1996, the ratio of total tax revenues to the Gross National Product was 25.4%. This ratio was one of the lowest among OECD countries.

The main sources of tax revenue are the income tax and value added tax. Approximately one third of tax revenue is obtained through income and another third through the value added tax.

The lowest income tax bracket is 25%. (11% in the USA, 15% in Japan, 22% in Germany.) The ratio of value added tax is on the average 15% of the sale price of the goods.

On the average, 45% of wage and salary income is taxed whereas the tax burden on income on capital is 22%. (*Cumhuriyet*, October 31, 1989)

TAXATION RATES IN OECD COUNTRIES

Country	Rate (%)	Country	Rate (%)
Denmark	56.0	New Zealand	36.0
Sweden	55.5	Canada	33.6
France	44.3	Switzerland	32.2
European Average	40.6	Australia	31.0
Greece	40.0	Japan	30.0
OECD Average	37.7	USA	30.0
Great Britain	37.7	*Turkey*	*25.4*
Germany	37.4	South Korea	23.0
Italy	37.1	Mexico	17.0

The wage and salary earner share of the national income is about 15%. However, wage and salary earners pay about 45% of income tax. Profit, rent and interest earners receive about 85% of national income and yet pay only about 55% of the income tax. Income tax paid by profit, rent and interest earners make up 1.5% of the GNP in Turkey and 7-8% of the GNP in USA or UK. The income tax of wage and salary earners is cut when their wage is paid yet the self-employed first declare their income and later pay their tax, which allows for tax evasion. It is estimated that 68% of income is not declared in order to evade the

taxes. (Dr. Turkmen Derdiyok, "Estimate of Turkey's Unofficial Economy," *Milliyet*, June 6, 1993)

A major tax reform was enacted in 1998 in order to remedy these problems. New laws reduce income tax rates but make all income taxable. Consumers are under obligation to explain the source of their expenditure. A new major computer network is being built by the Finance Ministry in order to trace the income and expenditures of tax payers.

National Debt: The total public debt as a share of GNP is 57% which is not very high by international standards. However, the ratio of debt to the financial system is 320% which is very high. The same ratio is 200% for Italy, 170% for Sweden, 160% for Belgium, 100% for the USA and 60% for the UK.

As of 1997, the domestic debt was $39 billion (20 % of GNP). In 1998, external debt reached $100 billion (45% of GNP, 350% of exports) Annual external debt service is equal to 5% of the GNP. This amount equals 40% of the country's export earnings. The breakdown of foreign debt servicing between interest and principle is around 2/3. 25% of external debt is short term. The volume of short term external debt is approximately as large as the country's export earnings. Approximately, half of external debt is held by the public sector and the remaining half by the private sector.

LABOR

Employment: 36% of the population is active in the labor force. 29% of all those who work are wage earners, the rest (71%) are self employed. There are unions and 1.3% of population are union members. 11% of the population receives transfer income from the government or from other sources. (TUSIAD Study, *Hürriyet,* August 24, 1989) The unemployment rate is 12.5%. The unemployment rate for youth with post secondary degrees is 30% and the unemployment rate for urban labor force is 17%. There is no unemployment insurance. The unemployed are supported by friends and relatives or through temporary jobs. Half of those who are technically defined as "unemployed" have temporary jobs. According to the OECD 1998 Economic Outlook unemployment will fall down to 5% by 2003.

Wages and Productivity: According to the German journal Focus, in Germany, wage for similar labor is 2,26 times higher than what is in Turkey. The same ratio is 1,45 for Greece, 1,97 for New Zealand, 2,24 for Australia, 2,39 for South Africa, 2,46 for the UK, 2,67 for the USA and 2,68 for Japan. On the average, productivity is 2,81 times and wages are 4,51 times higher than Europe. (MPM - National Productivity Center)

Workers Abroad: There are approximately 1 million Turkish workers abroad. Number of Turks living abroad, including relatives of workers, is 3,5 million.

The first Turkish workers to go abroad were those who went to the USA at the beginning of this century. A major migration took place to western Europe, particularly to Germany, during the economic boom years of 1960's and the early 1970's. Following the oil crisis, labor migration changed its direction toward the Arab countries. Today, Turkish labor continues to migrate, and is employed mainly by Turkish construction companies in the Arab countries and in the former Soviet Union. 60% of the workers who went abroad during the last four years migrated to the former USSR and 15% to Saudi Arabia. Number of Turkish workers seeking employment abroad drops annually. The drop in 1997 as compared with the previous year was 18%.

Turkish workers abroad make a major contribution to the Turkish economy through their remittances. Revenues from worker's remittance was $4.2billion in 1997 or 20% of the trade deficit and 2% of the GNP. Annually, Turkish workers in Germany send home 2.5 billion DM in remittances. The annual savings of

Turkish families in Germany is estimated as 30 billion DM which is equal to half of Turkey's annual budget.

Turkish Workers in Germany: Turkish workers in Germany make up 2.8% of Germany's population. Two-thirds of the Turkish workers in Germany have been living there for more than 10 years. Information summarized below shows that most of them are not planning to return to Turkey in the near future.

Several former Turkish workers in Germany have become entrepreneurs. Presently, Turkish investment in Germany exceeds 7.2 billion DM whereas Germans have 1 billion DM invested in Turkey. Turkish entrepreneurs in Germany own 47,000 businesses in 54 different industries employing 256,000 workers 15% of which are Germans. The total worth of Turkish owned businesses in Germany is 8.9 billion DM and their annual revenue is 41 billion DM. Annually, 1,200 Turkish entrepreneurs start new businesses in Germany.

Turkish families in Germany make a major contribution to the economy of this country by raising the consumption demand. Presently, Turkish families in Germany save roughly 12% of their income. 15 years ago, this ratio was 45%. On the average, Turkish families in Germany have 4.1 members and German families have 2.35 members, which

TURKISH WORKERS ABROAD

Country	Number of Turks	Turkish Workers
Australia	49,724	16,950
Austria	142,231	46,181
Belgium	78,532	16,645
Canada	18,130	N/A
Denmark	36,835	7,946
France	274,747	65,798
Germany	2,107,426	559,842
Holland	284,902	65,798
Israel	5,000	N/A
Italy	8,500	N/A
Kuwait	3,300	3,100
Libya	6,080	5,570
Norway	10,000	6,000
Saudi Arabia	120,000	115,000
Switzerland	79,556	33,088
UK	61,300	36,280
USA	85,505	N/A
Azerbaijan	5,000	2,000
Kazakhastan	5,500	N/A
Georgia	1,200	500
Kyrghyzistan	2,200	1,500
Russia	13,000	10,514
Sweden	35,831	6,500
Turkmenistan	10,000	8,000
Uzbekistan	3,300	1,881

means that on the average Turkish families consume more than German families do. Whereas 20% of Turkish households own Mercedes cars, only 7.5% of German households do. 82% of Turkish families in Germany own VCRs. The same ratio is 36% for German families.

32% of Turks in Germany are in the 21-35 age group. 500,000 Turkish students are studying in German schools. Of this number, 13,000 are in post-secondary education. 85% of Turkish youth in Germany attend college while only 16% of German youth do. The number of Turkish girls in higher education has increased 3 times since 1985. Presently, 32% of Turkish youth in higher education are girls. Emphasis placed on education by Turkish families in Germany is also reflected by the fact that 15% of families own personal computers while only 10.9% of German families do.

Annually, Turkish workers pay 80 billion DM in taxes to the federal German government (including 450 million DM for the development of East Germany) and 7 billion DM to the federal retirement fund. Annual payments to Turks out of the federal retirement fund is only 400 million DM. Unemployment among Turks in Germany is 20%. 35% of all unemployed foreigners living in Germany are Turks. Salaries received by Turkish employees in Germany are on the average 17% lower than those received by Germans doing similar work.

LIVING STANDARDS

Household Expenditures: According to the 1994 study on household income and consumption patterns conducted by the State Planning Organization (SPO), Turkish households spend 36% of their income on food (up to 49% in urban areas and down to 31% in rural areas), 23% on housing and 9% on clothing, transportation and furniture, 2.6% on health, 1.4% on education and 3% on recreation.

Living Standards: Percentages of households which own various appliances are shown in the table.

LIVING STANDARD INDICATORS (N/A - NOT AVAILABLE)

Appliance	% of Households Owning the Appliance		
	TUSIAD Study (1989)	SIS Study (1990)	*Ekonomist* Estimate (1994)
Refrigerator	77	83	99.7
Cooker	64	82	N/A
Oven	33	N/A	N/A
Washing Machine	32	45	66.2
Vacuum Cleaner	32	38	58.7
Blender	22	N/A	N/A
Sewing Machine	24	66	68.3
Dishwasher	1	1.4	8.5
Hair Dryer	22	N/A	N/A
Radio	73	N/A	N/A
Tape Recorder	46	49	N/A
Black and White TV	60	58	N/A
Color TV	26	40	N/A
Stereo Equipment	6	N/A	N/A
Video Player	5	7	N/A
Personal Computer	1	N/A	N/A
Kilim (Flat Weave)	75	N/A	N/A
Machine Woven Carpet	55	N/A	N/A
Hand Woven Carpet	37	N/A	N/A
Motorcycle	4	N/A	N/A
Telephone	15	27	N/A

House Ownership: According to a study conducted by the State Institute of Studies (SIS) in 1991, 71% of households own the residence where the household is living, 22% pay rent, and 3% live in government or company housing. 11.5% of Turks own second homes. (Piar-Gallup, *Cumhuriyet*, June 10, 1998)

According to the SIS (1990), there are bathrooms in 97% of all houses (69% according to 1989 Association of Turkish Industrialists and Businessmen-TUSIAD study) and kitchens in 91% of all houses (81% according to 1989 TUSIAD study). Again, according to the SIS (1990), 99.3% of all houses have electricity and 77.5% (69% according to 1989 TUSIAD study) have running water.

CAR OWNERSHIP IN TURKEY AND IN SELECTED COUNTRIES

Country	Cars/ 1000 Persons
Germany	479
Italy	425
France	410
EU Average	394
UK	366
Portugal	227
Greece	176
Bulgaria	122
World Average	86
Turkey	*60*

Car Ownership: 72.3% of Turks do not have driver's license. (Piar Gallup, *Cumhuriyet*, June 10, 1998) Car ownership increased 27 times over the last 2 decades. Despite the increase, car ownership in Turkey remains relatively low, as shown by the table.

36% of cars used in Turkey are produced by Turkish Fiat, 31% by Turkish Renault, 10% by Turkish Ford and 3% by Mercedes Benz. 28% of all cars in Turkey are in Istanbul, 14.4% are Ankara and 8.5% are in Izmir.

40% of production capacity is controlled by Fiat, 26% by Renault and 16% by Toyota. Ford, in cooperation with the Turkish conglomerate Koç (which owns half of Turkish Fiat as well) is engaged in building a $400 million plant in Izmit.

Cities where motorcycles are used most densely are Antalya, Adana, Izmir and Konya. Motorcycles are not very popular in Istanbul, probably because the city is hilly and the areas where low income people who would use motorcycles live are located away from major centers.

COMMUNICATIONS

The Telephone Network: The telephone network is owned and run by the government owned company Turk Telekom. For privatization purposes, Telekom was recently separated from the government owned PTT, which also runs the postal services. Over the last decade, Telekom has invested 80% of its revenues. This percentage is the highest among the telecommunications companies of East Europe. Consequently, there has been a major improvement in Turkey's telephone network. Telephone network is digital and automatic telephone links exist throughout Turkey and between Turkey and the rest of the world.

TELEPHONE OWNERSHIP

Country	Number of Telephones per 100 Persons
Average for OECD Countries	63
EU Average	52
Greece	50
Portugal	30
Turkey	*27*
World Average	13
Former East Bloc Countries	11
Average for Developing Countries	2.6

There are two cellular networks, one in the form of an analogue and the other in the form of a cellular system. The analogue system has roughly 120,000 subscribers and the digital system has 240,000.

Radio and Television: There is a government owned radio and television network, TRT, Turkish Radio and Television, which owns 5 TV channels and several radio stations. Numerous private TV and radio channels are also functioning. Until recently, radio and TV production was a state monopoly. This monopoly was broken by companies which broadcast from abroad via satellite. During 1995-1997, radio-TV broadcasting grew by 3.4 % in OECD countries and by 24.3 % in Turkey. Today, there are roughly 16 (14 in Germany, 10 in Greece, 9 in Italy 8 in UK) national and 245 (650 in Italy, 115 in Greece, 8 in Germany, 2 in UK) local private TV channels and 1,163 (1,159 in Italy, 1,200 in Greece, 241 in Germany, 6 in UK) private radio stations.

Newspapers: 400 daily newspapers are published in Turkey while 2300 daily newspapers are published in India, 1600 in the USA, 400 in Brazil, 350 in Germany. Total daily circulation reaches 4 million. The average is 74 daily newspapers per 1000 persons per day (800 in Hong Kong, 700 in Liechtenstein, 580 in Japan, 400 in Great Britain, 350 in Germany and 240 in the USA.) According to a recent poll, 32.2% of the population reads newspapers, 12.1% reads weekly periodicals and 6.6% reads monthly periodicals regularly. (Piar-Gallup, *Radikal*, June 9, 1998)

TRANSPORTATION

Railways: During the early years of the republic, the government placed great emphasis on the construction of railways. However, after the Second World War, emphasis has been on highways and railways have been neglected. The length of railways constructed since 1950 is only 788 km. The total length of railways is 8,452km. Turkey's railways are the 25th longest in the world whereas Turkey's highways are the 13th longest.

Only 8.1% (1,033km) of railways are electrified while 82% are in developed countries. 98% of railways are single lane and 44% are in need of repairs. Fastest speed which can be realized by Turkish trains is 120km/hour and the fastest average speed attained on the Istanbul-Ankara route is 80km/hour.

Only 4% of the passengers (24% in 1955) and 7% of cargo are handled on railways. 80% of passenger traffic on railways is on local trains. One reason why highways are preferred to railways in goods shipment is the employment of old style cars weighing 33 tons each which increases the unit costs in railway transportation. If the average weight of railway cars were to be reduced to the world average of 17 tons, Turkey's total annual energy savings would be equivalent to the amount of energy which is annually being produced by the Ataturk Dam!

Railways are run by the government owned company State Railways (DDY). Annual losses of the DDY are about 850 million dollars. A World Bank report (1996) estimates that over the next 5 years DDY will need 450 million dollars in government subsidies, will defer the payment of 570 million dollars worth of social security benefits, and will require 1.5 billion dollars worth of new credit.

Highways: The total length of highways is 320,000km, of which 30,000km is paved (5,000km asphalt) and 1,765km are expressways. 72% of all transportation is conducted on highways. This ratio is 10% in the European countries and 12% in the USA. There are 450,000 trucks in Turkey. This is equal to the total number of trucks in 14 European countries. 15% of all cars, 70% of all minibuses, 73% of all busses, and 85% of all trucks are used commercially. The number of commercial vehicles is 700,000. This means that including families nearly 15% of the population is dependent on income generated on highways.

Traffic Accidents: Traffic accidents are the cause of 2% of all deaths in the country taking about 9,000 lives annually. The total number dead in traffic

accidents during the last decade is 100,000. During the Gulf War, Allies had 136 dead and 40 lost in 40 days, including those who died in traffic accidents. 10 times the number dead are wounded in traffic accidents.

Navigation: 29% of exports and 34% of imports are handled by Turkish flag ships. The Turkish merchant marine has grown by 2.5 times during the last decade. The 10.1 million DWT large fleet is the 17th largest in the world, up from being the 27th largest in 1984. The Chamber of Maritime Commerce aims at a 20 million DWT fleet by the year 2000, which will be the 10th largest in the world. (The present size of Greek fleet is 185 million DWT.) The growth of merchant marine has been financed through annual credits of 1.5 to 2 billion dollars supplied by international banks

Shipbuilding capacity growth has paralleled the growth of the maritime marine. Present shipbuilding capacity is 500,000 DWT. Yachts worth $20 million dollars are exported annually.

Air Transportation: The government owned Turkish Airlines (THY) is the largest operator. There are also 9 private companies which operate flights on international and domestic routes. THY which flies to 31 domestic and 69 international destinations, controls 85% of the domestic and 20% of the international air passenger traffic. 15% of domestic and 37% of international air passenger traffic is controlled by Turkish owned private companies. Foreign owned airlines control 43% of Turkey's international air passenger traffic.

The number of passengers carried by the THY has increased by 1 million annually during the years 1991 to 1995 and by 2 million in 1995, reaching a total of 9 million. THY has doubled the size of its fleet since 1991, bringing the total number to 72. The average age of the jets is 4.3 which makes THY fleet the youngest in Europe. With its seat capacity of 10,038, THY is the 43rd largest airline in the world and 9th largest in Europe.

There are 15 civilian airports. Istanbul Ataturk airport which was built to handle 4 million passengers a year handled 10 million in 1997. The construction of a new terminal which will handle 14 million passengers per year is under way.

GOVERNMENT

Central Government: Turkey is a parliamentary democracy like Canada, Australia, New Zealand, Germany, and Israel with a parliament, a prime minister and a head of state, the President. The President rules but does not govern. In theory an apolitical office, the President has some executive powers and the right to veto legislation. Government affairs are handled by the cabinet headed by the prime minister. By convention, the President appoints the leader of the largest party represented in the parliament as the prime minister.

Parliament is unicameral and has 550 seats. Elections for the parliament are held every 6 years. The President is elected by the parliament. A Presidential candidate does not need to be a member of the parliament. The Presidential term is 7 years. The President cannot be reelected.

The current President is Suleyman Demirel, who succeeded Turgut Ozal in 1993. Before becoming President, Suleyman Demirel was the prime minister and the leader of the right of center True Path Party.

Suleyman Demirel had been Turkey's prime minister between to 1964-1971 and 1977 to 1980. He was ousted after the military coup in 1980. Mr. Demirel recovered his political rights, along with other former political leaders after a referendum held in 1985, and once more became the prime minister in 1991.

Local Government: Turkey is divided into provinces administered by governors who act as representatives of the central government in Ankara. Governors are appointed by the central government and are in charge of activities run by the central government such as health, education, and security. Each province is divided into smaller units administered by officials appointed by the central government. These officials are attached to the governor of their respective province. At the village level, the elected village head also represents the central government.

Municipal organizations are elected every five years. Municipal mayors are responsible for the administration of cities and towns and are in charge of activities such as road construction, public transportation, water supplies, sewage systems, and city planning. Even though the governor and the mayor have different spheres of activities, the governor is regarded as the highest civic authority in the province.

Voter Preferences: There are two right of center political parties represented in the parliament: the True Path Party and the Motherland Party. Similarly, two social democrat parties are represented: the Social Democrat People's Party and the Democratic Left Party. The Democratic Left Party is headed by Bulent Ecevit who was the prime minister during Turkey's military intervention in Cyprus in 1974. Other political parties represented in the parliament are the religious conservative Welfare Party and the ultra nationalist Movement Party. The distribution of votes among political parties at the general elections held in 1991 and 1995 and at the local elections held in 1994 are given in the table.

VOTER PREFERENCES (%)

1991 General	1994 Local Elections	1995 General Elections	Elections
Right Wing Parties			
True Path	26	20	19.65
Motherland	23	20	19.18
Welfare and National Movement	17		
Welfare		19	21.38
National Movement		8	8.18
Left Wing Parties			
Social Democratic People's	19	13	10.71
Democratic Left	11	12	14.64

3.9% of people are political party members and 42.5% of voters regard themselves as "progressive," 9.4% as "ultra progressive" and 9.3% as ultra conservative. (Piar-Gallup, *Cumhuriyet*, June 10, 1998)

At the beginning of 1997, the country was governed by a coalition of the religious conservative Welfare Party and the right of center True Path Party. The head of the Welfare Party, Mr. Necmettin Erbakan, was the prime minister, and the head of the True Path Party, the former prime minister Mrs. Tansu Ciller, was the deputy prime minister. This coalition collapsed following a dispute about the extension of elementary education to 8 years and a new coalition of Motherland Party and Democratic Left Party was formed. The country went to elections on April 18, 1999, under a Democratic Left minority government.

Men who reach the age of 20 serve in the armed forces for 18 months. Military service can be postponed until the completion of post-secondary education. Officers are professionals. College graduates have the option to serve as sublieutenants for 18 months or as privates for 9 months. Turkish youths who live and work abroad serve for only 2 months and make a payment as compensation. Military service is not obligatory for women. There are professional women officers in the services.

ARMS IMPORTS IN 1990 - 1995

Country	Arms Imports ($)
Turkey	*8,096,000,000*
Egypt	7,138,000,000
Saudi Arabia	7,092,000,000
Japan	6,882,000,000
Greece	5,756,000,000
India	5,158,000,000
China	4,747,000,000
Israel	4,293,000,000
Taiwan	4,228,000,000
Germany	4,045,000,000

There are 800,000 soldiers in the Turkish armed forces. In terms of manpower, this is 10th largest standing armed force in the world. The armed forces are made up of 4 branches: the army, navy, air force and gendarmerie. The army has 4,300 tanks (the 5th largest tank force in the world) and 5,000 armored personnel carriers. The backbone of the airforce is F 16 jets assembled in Turkey. F5s and Phantoms are also in use. The navy has the 9th largest submarine fleet in the world. The gendarmerie is in charge of security in the countryside and in this capacity they are attached to the Interior Ministry.

Annually, approximately 4% of the national income is spent on military expenditures as opposed to 2.5% on education and 3 % on health. This is slightly lower than the world average of 6.1% (7% in the UK). It is estimated that Turkey purchases one sixth of all arms traded in the international market annually. (*Ekonomist*, Dec 27, 1998) During 1990-1995, Turkey spent $8 billion dollars on arms imports which made it the biggest arms importer in the world during that period. One third of the arms sold to Turkey are supplied by the USA. France, Germany, Israel, Italy, Holland, Romania and Russia are the other major suppliers. (*Gazete Pazar*, March 16, 1997)

PKK TERRORISM

The Kurds live in four countries: Turkey, Iraq, Iran and Syria. An estimated 25 million. About half live in Turkey (including those who have one Kurdish parent). Half the Kurds in Turkey live in the east and southeast, and the other half are spread throughout the rest of the country.

There has never been a Kurdish state in the past. Traditionally, Kurds are a tribal and mountain people. According to the Japanese linguist Goishi Kojima, the Kurds speak in 10 different dialects which are mutually incomprehensible. The main dialects spoken in Turkey are Kirmanch and Zaza. Kurdish nationalists claim descent from the ancient peoples of the Middle East such as the Meds. Other historians have claimed that the Kurds originated amongst the Indo-Europeans of the Indus Valley region. Historical evidence to verify these claims is rather weak.

According to another view, Kurds are a Turkic people, descendants of the Scythians, speaking a dialect of the Turkish language which is permeated by the languages of neighboring Iran and Iraq. One of the oldest references to the Kurds is at the 8th century Turkish monuments at Orhun in central Asia. Amongst the inscriptions at Orhun, there is an address to the "Kurdish Begs" by the Uygur Khan and the name of one of the 24 grandsons of the legendary ruler Oghuz is given as "Kurd." 532 words which were used at the Orhun monuments and are not spoken in modern Turkish, are in use in the Kurdish. (A. Taner Kışlalı, *Cumhuriyet*, October 18, 1992) Kurdish is similar to Turkish in terms of its morphology and phenomenology. Kurdish word order is like the Turkish word order: subject, object, verb. And finally, 3,000 of the 8,528 words in the Kurdish dictionary compiled by the St. Petersburg Academy are Turkish.

Turkish constitution bans discrimination amongst citizens based on ethnic, religious, class or gender differences. There is no discrimination against Kurdish subjects of the state in any sense of the word. Kurds can live in any part of the country, in any city and in any neighborhood. Government and military positions are open to all. Intermarriage is accepted and common. According to a recent estimate, one third of the parliament is at least one parent Kurdish whereas one fifth of the population is at least one parent Kurdish.

The PKK (Workers' Party of Kurdistan) has been waging a guerrilla campaign for about a decade in southeast Turkey with rather vague aims. Their stand has

continuously shifted during this period, at times demanding "cultural rights" and at other, times outright independence. Their methods have been very ruthless (reminiscent of Pol Pot and Khmer Rouge) such as exterminating all villagers including newborn babies if the village adults should fail to give them adequate support.

What breeds PKK terrorism is social and economic inequality. 92% of the large farms in Turkey (larger than 2500 decars) are in the southeast. 80% of land in the southeast is owned by 5% of population. 50% of farmers in the area own no land. 20% of the population own land which is sufficient for subsistence only. The situation is worsened by the fact that families in the area have the highest fertility rates in the country. Consequently, unemployment among youth is up to 90% in some towns.

The PKK is supported by some of Turkey's hostile neighbors. In 1995, members of Greek Parliament headed by deputy speaker of the Parliament Mr. Panayotis Sguridis visited the PKK headquarters in the Bekaa Valley. (*Milliyet*, July 1, 1995) In 1997, high level PKK officials were entertained in Athens, by certain members of Greek parliament. In June 1997, it was disclosed in the Greek Cypriot press that PKK terrorists were trained by a retired Greek admiral Naksakis. Several PKK activists have confessed to receiving their training in Greece. (*Time*, April 4, 1998)

Syria has been by far the most important supporter of the PKK, providing it with bases in the parts of Bekaa Valley under its control and providing its leader Apo with a home and headquarters in Damascus. In 1998, Turkey put strong pressure on Syria to end such support. As a result, Apo was forced to leave Syria, moving to Italy. Apo's arrival in Italy and the favorable attitude adopted toward him by the government of Italy's (former communist) prime minister D'Alema led to the straining of relations between Turkey and Italy. Apo was forced to leave Italy under pressure from Turkey. He was eventually arrested in Kenya and brought to Turkey for trial. During his stay in Kenya, Apo was in hiding at the residence of the Greek Ambassador in Nairobi.

PKK makes most of its money from drugs. It is estimated that 60 tons of opium and hashish is grown in the parts of the Bekaa Valley controlled by the PKK. Drugs from Lebanon and Pakistan are distributed in Europe through families of the Kurdish Mafia. The organization has more than 300 alleged sympathy groups worldwide which are also involved in the dealings. Annual income the PKK derives from drug dealing is estimated to be around $50 million.

(*Cumhuriyet*, January 15, 1999) Another source of income for the organization is the fees derived through extortion from the Kurdish refugees in Europe. The organization can buy loyalty using its immense wealth.

The Turkish security forces have been waging a strong campaign against the PKK. The bases of the organization in northern Iraq have been hit and greatly damaged on several occasions. Presently, terror is confined to remote mountain areas. It is expected that the problem will be ultimately eliminated through the social and economic transformation of the area affected by the implementation of the Southeast Anatolia Project. Yet, the campaign against the PKK has cost Turkey and the people of the area dearly. Total cost of the 14 years campaign is estimated around 84 million USA dollars. This amount would have been sufficient to build three Southeast Anatolia Projects.

RELATIONS WITH GREECE

Cyprus Issue: There are two communities living in Cyprus. 30% of the population is of Turkish and 70% of Greek origin. The island gained its independence from Great Britain in 1960. According to the Zurich and London agreements signed before the island gained its independence, Turkey, Greece and Britain were given the status of guarantor countries with the right to carry out a unilateral military intervention if the constitutional order was broken. The constitution of the newly independent republic divided the seats in the parliament and in the cabinet and government positions between the two communities.

In 1964, attacks were carried out against the Turks on the island by extremist Greeks led by the EOKA, an organization committed to the idea of ENOSIS - union of the island with Greece. EOKA attacks forced Turks throughout the island to live in ghettos and enclaves.

In 1974, a coup was carried out by Nikos Sampson, an EOKA terrorist, and the constitutional president Makarios was ousted. Sampson's coup was a clear breach of constitutional order. Turkey offered the other guarantor countries, Greece and Britain, to jointly intervene in order to restore the constitutional order on the island. Turkey's offer was declined by both countries and Turkey carried out an intervention on her own.

Since 1974, there have been two sections on Island with the Turks in the north and the Greeks in the south. Talks are being carried out between the two communities in order to find a final solution to the problem. The Turkish side demands a confederated state based on mutual sovereignty and with restrictions on the rights of the members of either community to travel, to own property, and to run businesses in the federal state of the other community.

The issue is further complicated by the granting of "candidate for full membership" status to southern Cyprus by EU. Turkey claims that EU took this decision under pressure by Greece, which threatened to veto the candidacy of central European nations which Germany wishes to see as full members. According to London and Zurich agreements, Cyprus cannot join any international organization of which Turkey and Greece are not full members. Turkey has warned that she will further strengthen her relations with the Turkish northern Cyprus if the EU should grant southern Cyprus full membership.

The Aegean Disputes: There are 4 sources of conflict between Turkey and Greece in the Aegean:

1. *The Continental Shelf:* Greece claims the right to explore for oil on the continental shelf of the Aegean islands. Turkey also claims the right to the Aegean continental shelf, since Greek islands sit on Turkey's continental shelf. In its ruling on September 11, 1976, the International Court of Justice considered the Aegean continental shelf as an "area in dispute." UN Security Council Resolution 395, adopted on August 25, 1976, asked Turkey and Greece to carry out negotiations in order to eliminate their differences with respect to the continental shelf issue. According to an agreement signed between the two countries in Bern, on November 11, 1976, the two countries have agreed to suspend their exploration for oil in the Aegean and to negotiate.
2. *Territorial Waters:* At the moment, the extent of territorial waters is 6 miles for both countries. This gives 7.5% of the Aegean to Turkey, 43.5% to Greece, and leaves the remaining 49% as high seas. The government of Greece has received authorization from parliament to double the breadth of its country's territorial waters. This would turn the Aegean into a Greek sea and, therefore, not only Turkey but also other Black Sea countries have declared their opposition to such a move.
3. *Airspace:* According to Articles 1 and 2 of the 1944 Chicago Convention on civil aviation, the extent of national airspace has to correspond to the extent of the country's territorial sea. However, Greece claims a 10 mile airspace regardless of the fact that the extent of her territorial sea is only 6 miles.
4. *Military Activity in Eastern Islands:* Greece has been militarizing the eastern islands in the Aegean in open breach of the 1923 Lausanne and 1947 Paris treaties which govern the status of the islands.
5. *The Status of Rocks and Islets Which are Beyond 3 Miles of Turkish Shore but Within Turkey's 6 Miles Territorial Waters:* In 1996, a new conflict emerged between Turkey and Greece with regard to the status of rocks and islets which are beyond 3 miles of the Turkey's shore but within Turkey's 6 mile on territorial waters. According to the Lausanne Peace Treaty, Turkey has given up claim to islands in the Aegean which are beyond 3 miles of the Turkish shore. However, Turkey claims that this commitment doesn't cover the tiny, uninhabited (and not habitable!) rocks and islets

which are beyond 3 miles of Turkish shore but within Turkey's 6 mile territorial waters. The issue is important because if such rocks and islets were accepted as Greek territory, the boundary between the two nations would be the middle line passing through them and the Turkish shore thereby moving the boundary closer to Turkey and reducing the extent of Turkey's territorial waters.

More specifically, the issue came up with regard to the status of the twin rocks of Kardak (Imia in Greek) near Bodrum in southwestern Turkey. A Turkish boat went ashore on one of these rocks in Spring 1996 which brought up the issue of their ownership. Greece claimed that Turkey had given up her claims on these rocks according to the Lausanne Peace Treaty and according to an agreement signed between Turkey and Italy when the Dodecanese Islands belonged to Italy. Turkey claims that the commitment made at Lausanne does not cover rocks and islets, and that the agreement with Italy is not binding according to international law. The agreement with Italy was signed on December 28, 1932, by a low ranking Turkish Foreign Ministry official and by the Italian military attaché in Ankara. However, the agreement was never registered with the League of Nations as required by international law and never went through the approval procedures required by Turkish internal law and therefore is not valid. That it is not valid has been verified by the appeals to Turkey of Italy in 1935 and of Greece in 1950 and 1953 (after the signing of the 1947 peace treaty which gave the Dodecanese Islands to Greece) inviting Turkey to negotiations to determine the status of the rocks and islets between Turkey and the Dodecanese Islands and also, by the objection by the USSR of a reference to this agreement at the 1947 Paris Peace Conference, claiming that it is not legally binding according to international law.

Turks in Western Thrace: Following Turkey's Independence War, Moslem Turks living in Greece were exchanged with the Greeks living in Turkey. Turks in northern Greece (Western Thrace) and the Greeks living in Istanbul were exempted from the exchange.

Articles 38 to 48 of the Lausanne Treaty give considerable autonomy to the Turks living in northern Greece (Western Thrace). However, the Greek government does not allow the Turkish community to exercise such rights. For example, on paper, the Turkish community has the right to elementary and secondary education in Turkish. However day care centers in Turkish villages have

Greek instructors (in order to assimilate children). Core courses in elementary school are taught in Greek. Only 3% of Turkish students in western Thrace can attend Turkish high schools. 12,000 do not have books. Qualified Turkish teachers are not hired. The compulsory education requirement, which is 9 years in Greece, is not applied to Turks. Even though there are no legal restrictions, students who are ethnic Turks seldom enter Greek universities since the quality of education they receive has been deliberately kept below the level considered acceptable for university admission.

A special legal mechanism set up during early 70's by the military government for the persecution of ethnic Turks, was maintained for many years by successive civilian Greek governments. According to the arrangements made by the military government, the 19th clause of the Greek citizenship would allow the government to expel her citizens of non Greek ethnic background from citizenship, if they were suspected of leaving the country not intending to return. This article of the law was annulled under EU pressure in 1998. However, 130,000 ethnic Turks stripped of their Greek citizenship under this law are not allowed to return home and they are living in scattered exile in various European countries.

The area between the Nestos and Evros rivers, encompassing parts of Xanthi, Rodopi and Evros prefectorates, inhabited by 40,000 ethnic Turks living in 118 villages, is virtually a reservation, "a restricted military zone" with entry and exit subject to the permit of the military. Ethnic Turks living in this area are not only deprived of their basic human rights to travel within their own country but are also relegated to wretched economic and social conditions even compared with other ethnic Turks living elsewhere in Greece.

There are other forms of oppression of the Turkish minority of western Thrace: Turks are not allowed into public service. Turkish pharmacists are not allowed to start businesses of their own and Turks are not allowed to work as taxi drivers for "national security" reasons. Turks are denied drivers' licenses and permits to buy guns. Most members of the Turkish community in Greece are farmers. However, it is difficult for a Turk to buy a tractor. Also, Turks are required to have permits in order to buy land. The Greek government carries out a policy of expropriating the land owned by the community. In 1923, the Turkish community in Greece owned 85% of the land in western Thrace. Today, this ratio is only 35%.

Regardless of the fact that the Treaty of Lausanne (1923) grants the Turkish minority the right to organize and conduct its own religious affairs, since 1985 the

government has directly appointed - against the wishes of the overwhelming majority of ethnic Turks - the community's religious leaders. This situation was codified in the December 1990 Law No. 1920. Currently, there are two muftis in Xanthi and Komotini - one appointed and one elected. The Xanthi one, Mehmet Emin Aga, has accumulated 82 months of prison in nine trials since June 1996 for merely using the title of mufti in written statements.

Greek Law No. 1091 (1980) and Presidential Decree No. 1 (1991) both limit the Turkish community's control over the Vakiflar, (private charitable foundations used to support education, minority activities and social welfare) and financially weaken the latter. Similar are the problems related to the repairing and building of mosques.

As regards the construction or repair of mosques, the situation has improved since 1992. However, the minority still has to overcome a lot of bureaucratic obstacles before obtaining construction permits. In September 1996, as soon as a building permit for "an annex to a mosque" at Kimmeria was granted, there were protests from ultra nationalists, which resulted in the December 1996 arrest of 23 individuals for "arbitrary construction with violations." The sentences given ranged from 35 days to four months and were all suspended on appeal. In mid 1997, the imam was allowed to finish the repair of the mosque, though not to build the new minaret to the desired height.

The Greek government claims that in Articles 38 to 48 of the Lausanne Treaty, Turks of western Thrace are referred to as "Moslems" and not as "Turks". However, in Protocol Number 6, the section of the Treaty which determines the conditions of exchange of the Greek population in Turkey with the Turkish population in Greece, Muslim residents of western Thrace are clearly referred to as "Turks" who will not be included in the exchange of populations along with the "Greeks" in Istanbul. Also, administrative orders issued by the Greek government in the 1950's recognize the Moslem minority in western Thrace as Turks.

In July 1998, primary school teacher Rasim Hint was suspended for one year because, in 1996, he had called the Xanthi School where he worked a "Turkish" rather than a "minority" one. For the same reason, Hint was subjected to punitive transfers from the city of Xanthi to distant mountain villages between 1996-1998. In January 1990, Dr. Sadik Ahmet, a former member of the Greek Parliament from Komotini, was sentenced to 18 months imprisonment by a Greek court because he had referred to himself as a "Turk" in his election pamphlet. Following the imprisonment of Dr. Sadik Ahmet, houses and shops belonging to Turks in

Komotini were raided and several Turks were beaten and wounded by mobs of extremist Greeks. A similar incident had taken place against the Greeks in Istanbul in 1955. However, in Turkey, those responsible for this episode were eventually brought to trial and sentenced. Dr. Sadik Ahmet eventually lost his life in a traffic accident which Turks claim was an assassination.

150,000 Turks, 35% of the population in the area, live in western Thrace. After the events in Komotini, Greek Foreign Minister Samaras stated that there were only 4,000 Greeks left in Istanbul whereas there were 200,000 in 1955. What Samaras chose to overlook was that there were 125,000 Turks 67% of the population in the area living in western Thrace when the Lausanne Treaty was signed and that this number would now have been 600,000, had Turks not been led to emigrate under various pressures.

RELATIONS WITH ARMENIANS

Genocide Claims: Armenians commemorate April 24 as the day of genocide by the Ottoman government against Armenians. During the First World War, on April 24, 1915, the Ottoman government arrested 235 leaders of various Armenian organizations in the Ottoman Empire and ordered the deportation of Armenian subjects living in the eastern provinces to Lebanon, Iraq, and Syria which were Ottoman territories at the time. These measures were taken because Armenians organized by Armenian religious and nationalist organizations had aided Russians in occupying eastern Turkey.

During the Russian occupation, atrocities were committed out against Turks. The book Armenians and War by Agopyan discusses in detail how the Armenians aided the Russians during the First World War. Bogos Nubar Pasha, who was head of the Armenian delegation at the Paris Peace Conference which convened after the First World War, declared in his letter to the French Foreign Minister that "Armenians had fought throughout the war" (against the Turks!)

The first Armenian troops to enter Ottoman soil together with Russian troops were headed by former Ottoman deputy, Karekin Pastirmaciyan. Who eventually moved to the USA and published his memoirs in 1918. Another former Ottoman deputy, Hamparsum Boyaciyan, ordered the murder of all Turks in the area including children who, in his opinion, posed a prospective threat to "Armenian interests."

When the Russian army attacked the city of Van in March 1915, Armenians in the city carried out a rebellion against the Ottoman government. On April 21, 1915, Tsar Nicholas II sent a telegram to the Armenian committee in Van, that expressed his thanks for the services the committee rendered to Russia. At about the same time, the Armenian newspaper Gochnak published in the USA, declared with pride that, "only 1500 Turks were left in Van." The city, which was destroyed as a result of the Armenian rebellion, now lies in ruins next to the citadel in Van. New Van was founded at a nearby (present) location after the First World War.

The Ottoman government ordered the deportation of Armenians in eastern Turkey in response to these activities which cost the lives of Turkish people and endangered the security of the empire. About 700,000 Armenians living in east

Turkey were deported by the Ottoman government and about 300,000 of those died on the way due to cold, disease and hunger and attacks by locals.

Armenians claim that the total number killed during the deportation was 1.5 million. This figure is highly unlikely. According to the Ottoman Census Office, which was headed by an Armenian named Migirdic, in 1915 there were only 1,294,851 Armenians living in all of the Ottoman Empire. Estimates of western consulates concerning the Armenian population in Ottoman Empire vary between 1,056,000 and 1,555,000. In the letter which he sent to the French foreign minister, the Armenian delegate at the Paris Peace Conference Bogos Nubar Pasha, says that after the war, 280,000 Armenians were still living in Turkey and that 600 to 700 thousand were deported during the war. The delegate claims that 390,000 of those who were deported arrived at their destinations, which means that the number of those who died on the way is about 300,000.

Turkey strongly opposes the accusations that the deportation was a genocide. Peaceful deportation and the provision of military protection, food, clothing and shelter on the way were ordered. At the final destination points, deportees were to be supplied with land and housing commensurate with their previous status. (Ottoman Government Decree, May 1915) Note that this was not a public decree issued for propaganda purposes, but a secret military document. In his book *Death and Exile The Ethnic Cleansing of Ottoman Turks* (1995, Princeton, New Jersey), American historian Justin McCarthy argues that the orders for the safe conduct of Armenians was taken seriously by the Turkish security forces and 2000 of those who attacked Armenians, were killed or imprisoned by the Turkish government. Turkish viewpoint that Armenians suffered during the years of First World war but that the suffering was mutual and not ordered by Ottoman government is also supported by the eminent American historian Prof. Bernard Lewis of Princeton University and the eminent French historian Prof. Gilles Veinstein of College de France. Rather than challenging these historians on academic grounds, Armenians have chosen to take them to court!

Present day genocide claims are to a large extent based on a book published in 1920 by an Armenian named Aram Andonyan. It has been proven by Turkish historians that most documents in this book are fake. For example, the documents have been written with a secret code which was not in use by the Ottoman Empire at the time. Some documents in the book were signed by persons who were not in office at the time the documents are dated. A good example is the document which was supposedly signed by Aleppo Mayor

Abdulhalik: The date of the document precedes the date when the mayor was appointed.

After the First World War, allied occupation forces in Istanbul carried out an extensive search for Ottoman government documents which could be used to prove genocide claims. However, no such documents could be found. No charges could be brought against Ottoman leaders who were exiled to and imprisoned in Malta with the intention of setting up a trial against them with accusations of genocide. The British Ambassador to Washington, Sir Craigie, reported to foreign minister Lord Curzon, on July 13, 1921, "I am sorry to inform you that there is no evidence which can be used against the Turks in Malta."

Nevertheless, official reports prepared by Allied investigators in the area were based almost exclusively on the allegations of local Armenians and were therefore biased against Turks. Reports about ethnic cleansing of Turks were suppressed. The famous historian Arnold Toynbee wrote a book on the subject, based on biased allegations. The book was funded by the secret propaganda bureau of the British Intelligence. (*Justin McCarthy, Death and Exile/The Ethnic Cleansing of Ottoman Turks*, 1995, Princeton, New Jersey.)

If there was no genocide, why did so many Armenians die on the way to Lebanon? The reason is partly cold, disease and hunger and partly the attacks carried out by locals. All ethnic hostilities were loose in the area as a result of the ethnic cleansing previously undertaken by Russians and Armenians, under Russian occupation: 3 million civilians had lost their lives during the ethnic cleansing undertaken by the Armenians and the Russians in the east and also by the Greeks in the west. Not only Moslems, but Jews too were affected by the ethnic cleansing undertaken by Armenians, Russians and Greeks. Half the Jews living in western Turkey disappeared under Greek occupation.

Claims for a Homeland: Armenian claims to eastern Turkey as their homeland are not justified by historical facts.

1. At the end of the First World War, Armenians did not constitute the majority in the lands which they claim as their homeland. According to a French document dated 1896, Armenians constituted only 13% of the population in the Ottoman provinces in eastern Turkey. In 1878, after the Ottoman defeat during the Turkish - Russian war the Armenian patriarch's request for the British government to support the Armenian claims for a homeland in eastern Turkey, was denied by the British Ambassador in Istanbul who told the Patriarch that the Armenians did not

have a majority in any single one of the provinces which they claimed were in Armenia.

2. Eastern Anatolia is not the historical homeland of Armenians. There are various theories about the origins of the Armenians. According to the Biblical theory, Armenians are descended from Noah, the great-great grandson of Noah. This is not a scientific theory and therefore not valid. According to another theory, Armenians are descendants of Urartus, a people who lived in Eastern Turkey between 3000-600 BC. This theory is not valid either, since there are no similarities between the Armenian and Urartu cultures, and since Armenian belongs to the Satem group of Indo-European languages, whereas the Urartu language belongs to the Ural-Altay group. The name "Armenian" appears for the first time in history at 521 BC in the Behistan inscription of the Persian Emperor Darius. "I defeated the Armenians." Darius met the Armenians in the Caucasus. However, Armenians are not related to the other Caucasian races. The most widely accepted theory about the origin of Armenians is that they descend from a Thracian - Phyrgian group that originated in the Balkans and migrated to Anatolia during the 8th century, under the pressure of Illyrians.

CENTRAL ASIA, OIL, STRAITS

Relations with Central Asian Republics: Turkey has friendly relations with the newly independent Turkic republics of central Asia with which it shares a common heritage. Turkish companies operating in these countries invest in tourism, oil production and textiles. Turkey's share in total direct investment in Kazakhastan, Azerbaijan, the Kyrgyz Republic and Uzbekistan varied between 5-15%.

CENTRAL ASIAN REPUBLICS

Country	Population (million)	Area (sq. km)	Capital City	Main Products
Uzbekistan	25,000,000	4,470,000	Tashkent	Cotton, second largest producer of gold after South Africa
Azerbaijan	7,500,000	86,600	Baku	Oil, iron, lead and cobalt
Turkmenistan	3,000,000	488,000	Ashkabat	Oil, natural gas, potassium
Kazakhastan	17,000,000	2,717,300	Alma Ata	Cotton, oil, natural gas, tin
The Kyrgyz Republic	4,400,000	198,500	Bishkek	Oil

Central Asian Oil: According to various estimates, Central Asian oil may equal 3-16% of world reserves. In 1996, US Department of Energy experts made the rather optimistic decision that 178 billion bbl. of oil reserves may exist in the Caspian Sea - making the area second only to Saudi Arabia with 259 billion bbl. of reserves, twice the size of Kuwait's 94 billion and Iran's 93 billion. Azerbaijan's oil fields under the Caspian may contain more than 30 billion bbl. Kazakhastan fields may hold as much as 95 billion bbl. And Turkmenistan may be sitting on as much as 33 billion bbl. of oil. According to more conservative estimates, oil exports from the region will triple to 2.5 million bbl. a day in 2005 and rise again to about 3.5 million bbl. in 2010. During this period, global demand for oil is forecast to increase about 30% or 1.5 billion bbl. a day every year. Caspian exports will therefore equal no more than two years increased supply and be equivalent in importance in 2010 to Norway's production in early 1998. (*Time*, June 29, 1998)

One of the most heated international issues in the area is about the transportation of central Asian oil. Some of the oil will go to Far East. Iran would like a pipeline through Iran to the Gulf. But this route has proved to be expensive. Russia would like the oil to arrive at its Black Sea ports. This route involves a pipeline going through troubled Chechnya and would require the oil to be shipped through the Bosphorus and Dardanelles. Turkey opposes this plan because of the potential threats it poses to the environment especially for Istanbul. (see next section) Turkey proposes the oil reach the Mediterranean by pipeline through Turkey. And USA wants oil to flow through many pipelines so that no single player can control the flow. Following the political will expressed by Turkey, Georgia and Azerbaijan, the Azerbaijan oil consortium is likely to opt for a pipeline to run through Turkey and this decision will affect what other operators will do.

Oil and the Straits: Montreux Treaty signed in 1936 recognizes the Bosphorus and the Dardanelles as Turkey's coastal waters. However, according to the same treaty, Turkey has made a commitment to provide for free and unlimited access for all commercial navigation through the Straits. Military vessels of the Black Sea countries of Bulgaria, Rumania, Ukraine, Russia, and Georgia also have free and unlimited access. Other countries can have a maximum of two navy boats for a maximum of two weeks in the Black Sea.

Navigation on both the Bosphorus and the Dardanelles can be tricky. At the Bosphorus, the less salty waters of the Black Sea is flowing on the surface to the south and the saltier waters of the Marmara is flowing at the bottom to the north. At the Dardanelles, the relatively less salty waters of the Marmara is flowing on the surface to the south and the saltier waters of the Aegean is flowing at the bottom to the north. These reverse currents lead to several cross currents and whirlpools. The Bosphorus is very narrow and has many turns. The boats sailing on the Bosphorus need to change routes on 12 occasions over 18 miles. Yet, despite these difficulties, according to the stipulations of Montreux Treaty, Turkey cannot oblige the passing vessels to hire pilot services.

When the Montreux Treaty was signed, traffic was not as intense as it is today. Boats larger than 300 meters were not even dreamed of at the time and boats carrying methane gas, nuclear fuel or poisonous wastes were not known. On the first year following the signing of the treaty, the total number of boats making a passage through the straits was 2,603 with a total tonnage of 4,800,000. Since then, the number of boats making a passage has increased 9 times, and the

tonnage by 30 times rising to 22,322 and 167,500,000 respectively during the record year 1968.

Bosphorus traffic rises by 15-30% annually. Presently, an average of 130 boats pass through the Straits daily, half of which do not demand pilots. 60% of the boats making passage are tankers. Larger ferries make approximately 200 crossings between either side of the Bosphorus. In addition, several other smaller boats carrying passengers, fishing vessels and cruise boats also crowd the passage.

Consequently, the annual number of accidents on the Bosphorus has risen from 2 in the 1970's to 7.5 in the 1990's. During the last 30 years, 444 accidents took place on the Bosphorus. 75% of the accidents are caused by boats passing without a pilot. Note that the fee for a pilot at Bosphorus is $2,000 while the fee at the Suez is $135,000. Authorities claim that because of intense traffic, the passage of boats larger than 300m is impossible and that limits should be introduced to the shipping of oil which has reached 100 million tons per year.

On January 11, 1994, Turkey, staying within the limits defined by the Montreux Treaty, introduced new regulations which imposed restrictions on passage through the straits. These regulations introduced new sailing routes approved by the International Maritime Organization (IMO) and speed limits and measures which are to be taken during passage at night or in misty weather. Also, according to these regulations, boats carrying dangerous cargo are to inform the Straits authority of their coming passage two hours beforehand. When a large boat longer than 200 m. and/or a boat carrying dangerous cargo enters the straits at one end, the straits are to be closed to traffic at the other end until the passage is completed. The passage of such boats is to be realized only during daytime.

Turkey is also about to commission the construction of a monitoring and guidance network on the straits. 7 radar stations will be set up on the Bosphorus and 5 on the Dardanelles. The network will also be linked to the CPS satellite communications network. The new system will allow boats to make a passage even in intense fog, without the guidance of lighthouses. When the new system is in operation, accident risk on the straits will be reduced from the present 0.004% to, 0.00001%.

EU MEMBERSHIP

Turkey is an associate member of EU and has entered into full customs union with the union in January 1996. As early as 1993, Turkey started the painful but necessary process of reducing tariffs in such key industries as textiles, automobiles, consumer durable goods and cement. All tariffs on industrial products and processed food were greatly reduced in 1996. As of 1998, average protection rate against the EU was only 5.29%. Following the implementation of the customs union, Turkey had planned for a drop in tariff revenues by 2.6 billions. This loss was to be compensated by $3.5 billion support which was to be paid to Turkey by the EU over a period of five years. However, this support has not been realized so far because of a Greek veto.

Following the implementation of customs union, share of EU countries in Turkey's imports rose from 47% to 53% and the share of EU countries in Turkey's exports declined from 51% to 49%. Turkey has become the EU's largest supplier of textile products. 70% of clothing and 40% of textile exports go to the EU. 11.5% of EU demand for textiles is met by Turkish suppliers. Yet, because of the general drop in demand in Europe, hoped for increases in textiles, glass, leather, processed food, ceramics and steel exports were not realized. Consequently, in 1996, exports to EU rose only by 3.6% while the imports rose by 34.6%. Customs union with the EU prevents Turkey from developing special economic relationships with third parties. EU on the other hand imposes anti-damping tax against Turkey without prior consultation and introduces new restrictions with regard to the trade of agricultural goods.

As a result of customs union, competition law and intellectual property rights were strengthened in Turkey. Turkish consumer benefits from reduced prices for a variety of products and European consumers benefit from the elimination of quotas on Turkish textiles and garments. European manufacturers are undertaking steps to manufacture in Turkey in order to export to Middle East or Europe.

At the EU summit meeting at Luxembourg in December, 1997, Poland, Hungary, Czech Republic, Slovenia, Estonia and Southern Cyprus were granted the status of "candidate for full membership." Lithuania, Bulgaria, Romania, Slovakia and Latvia will follow. Turkey is not included in the list, though according to the Luxembourg communiqué, it was regarded as eligible as others.

As the *Economist* (December 20, 1997) points out, in this case, "equal eligibility evidently does not mean equal treatment."

An agreement was signed between Turkey and the EU as early as 1963 in anticipation of full membership. At that time, some of the countries currently under consideration did not exist as independent nations. Many of the countries who are granted "candidate for membership" status to the EU, were Warsaw pact members during the cold war years. Turkey is of key importance for the Western alliance and a member of NATO since 1951. Critics of the EU policy toward Turkey have voiced the question whether it would have been easier for Turkey to join the EU had Turkey been a Warsaw Pact member and a threat to the West instead.

Critics of the EU approach claim that it was a strategic mistake for the EU to leave out a very rapidly growing economy such as Turkey and a metropolis such as Istanbul, which is a major center of attraction for north Africa, the Middle East, Balkans and the Black Sea. Turkey is the biggest producer of cotton fiber, the 2nd largest producer of woolen fiber and TV sets and the 5th largest producer of steel in Europe. No European country produces more cement than Turkey. (Turkish cement production is two times the amount produced in France and four times the amount produced in the UK.) Turkey is one of the two OECD countries which attained continuous expansion in employment during the 1980-1997 period.

Turkey is ahead of all central and east European countries in terms of the criteria accepted at the European summit. (Centre de Relations Europeenes, *La Turquie, 10 Ans Aprens sa Demande d'Adhesion a l'Union Europeene, p. 120-121*) Many of the reasons stated for the rejection of candidacy status for Turkey seem to be artificial. Solution of the Cyprus problem and the easing of the tension with Greece are prerequisites for Turkey's membership in the EU but apparently not prerequisites for the membership of Greece and Cyprus. It is mentioned that Turkey's large population (63 million) is a block on the way to full membership. However, the total population of Romania and Poland which are candidates for full membership is also 60 million. Had Turkey joined EU, the net contribution to Turkey from the EU budget would have been 9.8 billion ECU. This amount equals merely 0.15% of the total GNP of EU countries. (Onur Öymen, *Türkiye'nin Gücü*)

The real reasons for the denial of "candidacy" status for Turkey are perhaps cultural and religious. European Christian Democrats declared at their summit in Spring 1997 that Turkey could not be European for "cultural and religious"

reasons. (Michael Lüders, *Die Zeit,* October 24, 1997) German Chancellor had stated to Turkey's president Demirel that it would be impossible for him to deal with 10 million Turks in Germany - which is the number Germans think will move to Germany if Turkey should become a full member. German Foreign Minister Kinkel was quoted to have said at the Luxembourg summit that Germany, which already has 2.1 million Turks, cannot allow a further influx. (Jean Quatremer, *Liberation,* October 27, 1997)

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"Everything you always wanted to know about Turkey." Reasons for high inflation, caues for divorce, annual alcohol consumption, annual coffee consumption, percentage of families owning TV Sets, religious commitment, crime rate, birth control methods, agricultural yields, energy sources, income distribution, wedding ceremony, length of railway network, traffic accidents, PKK terrorism, Cyprus and much more...

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